



September 22, 2022

El Dorado County Auditor
ATTN: Joe Harn, El Dorado County Auditor-Controller
360 Fair Lane
Placerville, CA 95667

RE: DEMAND FOR PERFORMANCE

Dear Mr. Joe Harn,

By this letter, the El Dorado Hills Community Services District ("District") demands that you perform the mandatory statutory duties of your office as the El Dorado County Auditor-Controller and issue revised or supplemental tax bills to El Dorado Hills property owners to include the assessments for Landscape and Lighting Assessment Districts (LLADs) as documented in the District's submission to you on August 10, 2022. Your refusal to include the LLAD assessments in property tax bills is unjustified by either fact or law and is contrary to your legal duties as the County Auditor. As the following discussion makes painfully clear, your refusal to include the LLAD assessments in the property tax bills is for no other reason than political pandering. Should you continue to refuse to perform your mandatory legal duties as Auditor, the District is fully prepared to seek all legal remedies available to it to compel such performance.

EMAIL EXCHANGE WITH EL DORADO HILLS RESIDENT, ROBERT WILLIAMS:

On or about November 30, 2020, El Dorado Hills resident, Robert Williams, exchanged emails with you with the subject line of "*Re: 2019-2020 special tax question EDH CSD.*" The emails initiated on that date span several months, concluding on or about January 30, 2021. The emails are attached to this letter and are summarized here. (*See Exhibit 1*).

In his initial email, Mr. Williams asked for assistance clarifying a seeming discrepancy in LLAD assessments for Carson Creek LLAD #39. Rather than provide Mr. Williams with any information whatsoever, you simply directed him to the District (more specifically, to the General Manager) for information.

In contrast to your failure to fulfill the duties of your office, the District provided a response to Mr. Williams' inquiry regarding the varying assessment amounts based upon the information available to the District at that time. That information specifically included, and

was reliant upon, the timing affecting the County's determination whether a home is occupied or vacant. This was described to Mr. Williams, who was redirected to your office to determine "how quickly the County makes this change in land use when a home is purchased." In addition to providing a written answer to Mr. Williams' inquiry, he was invited to contact District staff, by phone, if he needed more detailed information. It should be noted, you were copied on this email to Mr. Williams.

In a later email to you from Mr. Williams, dated December 04, 2020, he documented discrepancies in at least four parcels of the Heritage subdivision, which is part of the Carson Creek LLAD #39. Mr. Williams once again requested that you perform the duties of your office to provide an explanation for the difference in the assessments for the identified parcels. Mr. Williams specifically noted "CSD officials have dutifully attempted to explain the process that was applied to said assessments." Rather than accept responsibility for what was clearly a failure on the part of your office, you, as you consistently have done in this matter, shirked that responsibility and attempted to lay blame on the District.

Even more disturbing than your failure to acknowledge the County's responsibility to identify parcels, which are occupied or vacant, for purposes of establishing the County's tax rolls, you stated in a December 14, 2020 email, "If the CSD or their consultant cannot answer your question, I am going to be forced to question the accuracy of the written representations we receive from the CSD and DTA." Thus, this email began a pattern on your part of seeking to penalize the District, not to mention property owners in LLADs who depend upon the accuracy of County tax rolls for purposes of determining LLAD assessments, for the County's failure to perform its duties to maintain accurate tax rolls. You should not need to be reminded that the County, and not the District, establishes the tax rolls on which LLAD assessments are based and thus bears all responsibility for any inaccuracies in its tax rolls. This email also marks the commencement of your efforts to politicize this issue as demonstrated by your inclusion of District 1 Supervisor John Hidahl on the email despite the fact the subdivision in question is not located within his District.

Through an email dated January 26, 2021, on which you were also copied, the District provided Mr. Williams with information regarding the process by which parcels in Carson Creek LLAD #39 were assessed. As noted in the District's email, the District's engineering consultant, DTA, obtained the information utilized to calculate assessments from "verified county assessor data." This data was obtained from a third party vendor, ParcelQuest, "which is the sole provider of daily updated county assessor data." The District's email to Mr. Williams described the timing issue regarding calculation of assessments based on county assessor data. By email dated January 29, 2021, on which you were once again copied, the District provided Mr. Williams with further information demonstrating specific errors committed by the County with respect to information on the assessment rolls with respect to four parcels located in the Carson Creek LLAD #39.

Rather than taking any responsibility for County's failure to provide accurate information, you responded on January 29, 2021 to the above communications – as you have throughout this process – by attempting to abdicate the duties of your office and shift all

responsibility onto the District. In response to your irresponsible and baseless accusations, the District urged that efforts should be made to “see how best to provide exceptional services to our mutual residents...” The District further pointed out to you that “it does appear as though the County’s dataset did/does in fact have errors,” a detail you have consistently failed to acknowledge.

Rather than making any effort to investigate the errors in the County Assessor data, you responded to the above communications on March 10, 2021, by obtusely demanding the District point out errors it already had documented in its communications to Mr. Williams. To further politicize this issue, you also included the County Board Supervisor for District 2, George Turnboo, in your email.

COMMUNICATIONS REGARDING 2021 ASSESSMENTS:

Five months after the final email in the exchange summarized above, you once again attempted to shift responsibility for the inaccuracy of County information by demanding an assurance of the accuracy of the District’s LLAD assessment calculations, which continue to rely on the accuracy of the County tax rolls. (See *Exhibit 2*). Your demand again failed to acknowledge the source of any inconsistency was the result of inaccurate County information, information the accuracy of which the County bears responsibility. Despite the facts of this, any potential issue connected with LLAD assessment calculations had already been known to you for at least five months, you raised the issue one week prior to the statutory deadline for the District’s transmission of LLAD assessment calculations to your office, thereby creating a sense of urgency that should have been unnecessary had you worked in good faith to address this issue in a timely fashion. Furthermore, you again shifted the entire responsibility for resolving any conflict in information regarding LLAD assessments – conflicts created by inaccurate information in the County’s tax assessment roles – by requiring the District to take “full responsibility for [the] accuracy and completeness of LLAD assessment data.”

In a subsequent email to the District on August 10, 2021 (See *Exhibit 3*), you attempted to justify your demand that the District Board President and General Manager take responsibility for the County’s inaccurate information by claiming, “County Counsel recommended that I get written representations from CSD officers regarding the lawfulness, accuracy, and completeness of your Resolution establishing the LLAD assessments for fiscal 2021-22.” In the absence of such a written representation from the District, you threatened to not include the District’s annual LLAD assessments in property tax bills sent by the County. Because your demand was made at the eleventh hour and threatened to cut off the District’s funding mechanism for maintaining LLADs within its jurisdiction, the District had no other choice but to capitulate to your demand despite its clear lack of justification in either fact or law.

COMMUNICATIONS REGARDING 2022 ASSESSMENTS:

On July 08, 2022, you emailed the District demanding, as you had in 2021, that the District certify the accuracy of data submitted by DTA establishing LLAD assessments. (See *Exhibit 4*). In response to your email, the District’s General Manager emailed you that

same date, with a copy to County Counsel, David Livingston, asking you to identify the legal authority on which you based this demand on the District. (*Ibid.*)

Despite communicating with the District on July 12, 13, and 14, 2022 regarding park impact fee reimbursements from the District, you failed to provide any response to the District's request for the legal authority on which you based your demand for certification from the District Board with respect to its consultant's LLAD assessment calculations. As a consequence of your lack of response, a follow up request was made on July 22, 2022 by the District's General Manager. (*See Exhibit 5*). You responded to this second email ten days later, and intentionally continued to fail to provide any legal authority to support your demand. Instead, you forwarded the message from August 03, 2021, stating, "I am sending you this email to remind you that we dealt with this same matter one year ago." (*See Exhibit 6*). Six minutes later, you sent a second email stating, "I am just asking for similar written representations from both the GM and the Board President that I received last year from you." (*See Exhibit 7*). It is clear that you avoided answering the specific questions asked of you on July 08, 2022 and repeated on July 22, 2022. The reason for this failure is obvious: there is no legal authority supporting your demand for certification from the District Board and General Manager.

On August 09, 2022, the District General Manager sent you an email in which the District identified additional errors in the County parcel data files for tax purposes. (*See Exhibit 8*). In light of these errors, the District repeated its demand that you provide legal justification for demanding a certification of LLAD assessment calculations rendered by its consultant from its Board and General Manager. As was now your well-established pattern, you again failed to respond to the District's request. Instead, you waited until August 17, 2022 on which date you simply repeated, without explanation, your demand for that certification. (*See Exhibit 9*).

Approximately one hour after your initial email on August 17, 2022, you demanded that a copy of the District's written certification be sent that day. (*See Exhibit 10*). At noon on August 17, 2022, the District General Manager responded to you, again imploring you for a response to the District's request that you provide it the legal justification supporting your demand. (*See Exhibit 11*). The District General Manager's email also identified the information it already had submitted, which met the August 10, 2022 statutory deadline for submitting LLAD assessment calculations.

Several more emails were exchanged that date, which included emails you sent directly to District Board Directors, as well as the County Board Supervisor for District 1. (*See Exhibit 12*). Yet, in all of these emails, you never answered the straightforward questions repeatedly submitted to you. In fact, a request to County Counsel for a statement of the County's legal justification for demanding the certification also went unanswered in terms of providing any substantive response.

YOUR AUGUST 22, 2022 LETTER:

On August 22, 2022, you sent a letter to the District filled with misstatements and untruths. (*See Exhibit 13*). For instance, you falsely claim in your letter that the District "refused to

answer” questions from property owners regarding LLAD assessments despite the extensive information provided to Robert Williams and his acknowledgement that the District had been forthcoming with information, as discussed above and evidenced by the attachments to this letter.

Your letter asserts the District made findings contrary to the benefit assessment, as evidenced by the Board’s decision to refund one assessment district’s assessments for two prior years. The statement(s) you make are unfounded and inaccurate, as the specific reasons for the refunds were outlined as part of a publicly posted written staff report.

Your August 22, 2022 letter also references a recommendation contained in the recent Grand Jury Report as further justification for your position. You took this position prior to the District’s submission of its response to the Grand Jury report, which clearly demonstrates the many errors in that report, as well as its overall lack of credibility.

Finally, your letter is curiously inconsistent in that you challenge the accuracy of the District’s assessment calculations without ever taking responsibility for the errors in the County data file(s), which would require correction on its part. In fact, you go so far as to the claim that “[w]hether or not those inaccuracies are the result of information provided by the County is irrelevant as it is the CSD that bears the responsibility for confirming the accuracy of its assessments prior to placement on the tax roll.” This is a truly remarkable statement in that the District’s submission of LLAD assessment calculations is, as both a matter of fact and law, based on the accuracy of information on the County’s tax rolls. In fact, in a letter you dated August 31, 2022, relating to Property Tax Revenue Estimates for the FY 2022/23 Lien Date Tax Rolls, you stated, “These revenue estimates are based on the Assessor’s assessment roll delivered to the Auditor in July for the January 1, 2022 statewide lien date.” In other words, the District is relying on the same data you and your office are relying upon.

In the concluding paragraph of your August 22, 2022 letter, you state that you will apply the Roadway LLAD assessments provided to you by the District, while excluding all others. In attempting to justify your decision to refuse to perform your duties as County Auditor, you expressed a concern that certain assessments submitted to your office were different than assessment amounts included in District Board-approved resolutions. In particular, you referenced the varying amounts applicable based upon occupancy status, which is clearly delineated in LLAD formation documents. There are only four LLADs that fall into this category: North Commercial; Valley View; Lake Forest Park; and Carson Creek. In each of those cases, the amount of the actual LLAD assessment submitted to you is less than authorized in the District Board’s resolution. This is significant because it demonstrates that no property owner is being disadvantaged by the District’s assessment calculations. More to the point, the fact that the formation documents of only four LLADs provide for varying assessment amounts based on occupancy status cannot be used as a basis for invalidating *all* assessment calculations submitted to you by the District; an argument on which you have improperly relied. As such, any broad application of your concerns on this matter as justification for not applying the assessments is arbitrary and capricious.

The District has attempted to work in good faith with you to resolve this issue. Instead of responding in kind, you have now taken the position that you will charge the District in excess of \$60,000 to issue supplemental tax bills that include LLAD assessments. The failure to include the assessments in the original property tax bills issued by your office was without justification and, therefore, the expense of sending supplemental tax bills is not an expense the District will bear.

Unless you confirm within seven (7) days of the date of this letter that your office will issue supplemental property tax bills that include LLAD assessments, the District is prepared to seek all available legal remedies to compel you to perform the **mandatory duties** of your office.

Respectfully submitted on behalf of the El Dorado Hills Board of Directors,

A handwritten signature in blue ink, appearing to read "Kevin A. Loewen".

Kevin A. Loewen,
EDHCSD General Manager

Cc: El Dorado County Administrative Officer
El Dorado County Counsel
El Dorado County Board of Supervisors



Kevin Loewen <kloewen@edhcsd.org>

Re: [*External*] Re: 2019-2020 special tax question EDH CSD

1 message

Joe Harn <joe.harn@edcgov.us>

Wed, Mar 10, 2021 at 10:04 AM

To: Kevin Loewen <kloewen@edhcsd.org>

Cc: Robert Williams <bobw1800@gmail.com>, Teri Gotro <tgotro@edhcsd.org>, George Turnboo <george.turnboo@edcgov.us>

Kevin,

Can you please point out a specific error in the County data for me?

Joe Harn
Auditor-Controller
El Dorado County

On Sat, Jan 30, 2021 at 10:53 AM Kevin Loewen <kloewen@edhcsd.org> wrote:

Mr. Harn,

I'm not stating that the statement from DTA is inaccurate or extrapolated out of context, yet, I will ask for clarification from them. Nonetheless, it does appear as though the County's dataset did/does in fact have errors, correct? Rather than figuring out whether the onus is on third party vendors to quality control those County-produced datasets - documents which must be purchased from the County to perform this assessment work - or upon the origination point of the documents, let's see how best to provide exceptional services to our mutual residents. As such, to avoid securing erroneous datasets in the future, should the CSD and other assessing agencies pull this information after a specific date in which it has been vetted/completed?

We'll seek to rectify any errors through the appropriate adjustments. As always, feel free to call if a conversation is needed.

Cordially,

Kevin A. Loewen

On Fri, Jan 29, 2021 at 3:44 PM Joe Harn <joe.harn@edcgov.us> wrote:

Kevin,

We place the CSD's LLAD charges on the tax bills based on the following representation from the CSD's representative.....

DTA makes the following written representation on behalf of the CSD, "The undersigned hereby: attests that the direct charge levies have been verified for accuracy and approved by the district."

Are you stating that the above representation is inaccurate? Are you stating that the CSD is not verifying the charges for accuracy?

Joe Harn
Auditor-Controller
El Dorado County

On Fri, Jan 29, 2021 at 11:58 AM Kevin Loewen <kloewen@edhcsd.org> wrote:

Mr. Williams,

Per our shared conversations, please see the land use history of the four (4) parcels in question appended below (per the County Roll data). There appears to be a lag in the County Roll data, which could happen, especially for parcels that are part of a project actively being developed. Based on our research, however, it does look like building permits were issued at similar times for all four (4) parcels. So, yes, these parcels could have been classified as single family developed lots based on the building permit issuance dates reflected in the table below. However, the 2019 County Roll did not reflect this for two (2) of the APNs (117-690-056-000 & 117-690-069-000). If we were to assume that these parcels were classified as single family developed lots (Land Use Code 11) for Fiscal Year 2019-2020, then it would have reduced every other property owner's assessment at that time by about \$2.00. We are happy to apply this fee credit (of around \$2.00

per parcel) to the FY 2021-22 assessment. Additionally, this research was/is only focused on the four APN's identified in this string of communications. As referenced previously, the County Roll data is what the District utilizes to build the assessments. Should there be a lag in data updates to that Roll – the Roll which is purchased from the County to build the assessments list(s) – it is not the District's purview to preemptively assert it would have data lags or errors, nor to attempt to answer why or how that occurs because it is not a dataset created by the District. In essence, the District has no known authority over the County's Roll creation or datasets.

I do hope that this aides in answering your questions and getting to the bottom of the discrepancies identified. If there is an element of this message you required additional explanation of, then please do not hesitate to ask. However, if you have questions about the County's data, it would be best to get that from the source - the County.

Cordially,

Kevin A. Loewen

On Tue, Jan 26, 2021 at 5:40 PM Robert Williams <bobw1800@gmail.com> wrote:

Teri and Kevin,

Again, I thank you for attempting to explain the “who’s on first” process utilized by EDHCSD. However, your response does not explain the discrepancies.

Let’s make the investigation easy. I provided references to four parcels. The purchases were made within a month of each other. Two properties had a \$362.14 assessment, while two were assessed \$90.41 for LLAD #39 FY 2019-2020. A reconciliation for just these parcels is a good starting point. The inconsistency was unearthed by common citizens comparing tax bills. It does not take much logic to assume the existence of a more widespread assessment issue.

While you investigate the first four referenced properties, consider the validity of any FY 2019-2020 LLAD #39 special assessment. EDHCSD knew that Carson Creek Park would not be operational and that LLAD expenses would not be incurred. In fact, we are entering month 20 of assessments without an operational park. The State Constitution expressly requires that special taxes and assessments must be based upon defensible costs. From my vantage as a taxpayer without legal training, the FY 2019-2020 (and perhaps much or all of FY 2020-2021) collected assessments appear to be unlawful. Rather than spin your wheels to explain the \$361.16 versus \$90.41 assessment discrepancies, a reasonable solution is to simply order an immediate refund.

As a final note, I look forward to receiving the Public Records Act documents I requested on the Carson Creek LLAD #39 amenities including stadium lights, tennis courts and pickleball courts.

Please continue to include County Auditor/Controller Joe Hern in your response.
With respect and regards,

Bob

Robert Williams 6512 Primavera Lane El Dorado Hills, CA 95762 303 638 6514

On Tue, Jan 26, 2021 at 2:50 PM Teri Gotro <tgotro@edhcsd.org> wrote:

Mr. Williams,

As a follow up to my email sent to you on December 15, I want to provide further information as to how the properties in Carson Creek were assessed by the District's Engineers (DTA). DTA receives the County Rolls from a third party, ParcelQuest (“PQ”). According to their website "ParcelQuest data is verified county assessor data and not derived from recorded documents keyed overseas. We're the sole provider of daily updated California county assessor data and the only company that builds relationships with county departments in order to provide the most current data and parcel maps available."

I think it is also important to understand sequence of events that occurs prior to the assessment.

- 1) The County's Roll is equalized as of January 1
- 2) The County processes, finalizes, and distributes the Roll in June/July
- 3) DTA receives the roll, in June/July, from ParcelQuest who has received the roll from the County
- 4) DTA uses this roll to calculate the assessments and submits these assessments to the County by August 31

You can see with this process there is a lag which would explain why some homes may be assessed differently at the beginning stages of development. I do not see any discrepancies between the attached County Roll and what the District (DTA) sent to the Auditors Office to be assessed. Please review and if you see any parcels on the County Roll that were not assessed correctly, then please let me know so I can do further research.

Respectfully,

Teri



Teri L. Gotro

Controller

1021 Harvard Way, El Dorado Hills, CA 95762

Direct Phone: 916-614-3217

tgotro@edhcsd.org

www.edhcsd.org



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From: Robert Williams <bobw1800@gmail.com>
Sent: Friday, January 22, 2021 10:37 AM
To: Kevin Loewen <kloewen@edhcsd.org>
Cc: Teri Gotro <tgotro@edhcsd.org>; Joe Harn <joe.harn@edcgov.us>; John Hidahl <john.hidahl@edcgov.us>; bostwo@edcgov.us
Subject: Re: [*External*] Re: 2019-2020 special tax question EDH CSD

Kevin

Over a month has elapsed since you asked for more time to resolve this issue before the matters are formally escalated to the Supervisors. What is your firm timetable for providing answers to County Controller/Auditor Hern and me?

In the intervening period, gross stadium lights have been installed around the tennis and pickleball court that are still under construction. Apart from possible County Outdoor Lighting Standards violations and strong objections of Heritage residents, I request a confirmation on the stadium lights costs, design specification, and funding source. In February 2020, I wrote to you and the Board regarding the lack of funding from LLAD #39 sources for the lights, tennis courts, pickleball courts, and other amenities (letter attached). Since CSD has selected to ignore the cautionary communication and continue with construction, I again ask for classification on the precise funding method and reserve account data. CSD has approved five consecutive Final Engineer's Reports that defined the improvements "within scope and subject to assessment," and the exclusion of costly amenities cannot be deemed an oversight. Under the Public Records Act, I request full disclosure.

In advance, I thank you for your attention to these matters.

Respectfully,

Bob

Robert Williams 6512 Primavera Lane El Dorado Hills, CA 95762 303 638 6514

On Wed, Dec 16, 2020 at 2:45 PM Robert Williams <bobw1800@gmail.com> wrote:

Kevin

Obviously, let's see if this matter can be resolved without escalation. The ball is in your court.

That said, this issue and other matters involving CSD and DTA special assessments is not isolated to LLAD #39. Some of the issues outlined in the 2016 Grand Jury findings have grown in many directions. A community-wide reappraisal of the complexities associated with the LLAD funding structure is warranted.

As to LLAD #39, we enter our 19th month of paying for operations, repairs and maintenance for a park that remains under construction. Further, significant park improvements are being installed that are not included in any of the five Carson Creek Engineers Reports and must be regarded, therefore, as not funded via LLAD #39. I will not belabor for now.

We are now in the holiday season during a period of time of uncertainty. I wish you all good health and safety.

Regards, Bob

On Tue, Dec 15, 2020 at 4:34 PM Kevin Loewen <kloewen@edhcsd.org> wrote:

Good evening,

I too have been monitoring the back-and-forth on this. Interesting, to say the least.

At this time I did carve off the County Supervisor because I believe this can be handled at a lower level, and the representative for Carson Creek is District 2 – Frentzen/Turnboo.

If I'm reading this correctly, then it may benefit all to do as Teri has laid-out, and to include the Assessor's Office in the discussion and/or explanation of the assignments held in the County's report (Roll).

Thank you,



Kevin A. Loewen

General Manager

1021 Harvard Way, El Dorado Hills, CA 95762

Direct Phone: 916-933-6624 / Fax: 916-933-5341

kloewen@edhcsd.org

www.edhcsd.org



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From: Teri Gotro <tgotro@edhcsd.org>
Sent: Tuesday, December 15, 2020 3:55 PM
To: Joe Harn <joe.harn@edcgov.us>; Robert Williams <bobw1800@gmail.com>
Cc: Kevin Loewen <kloewen@edhcsd.org>; John Hidahl <john.hidahl@edcgov.us>
Subject: RE: [*External*] Re: 2019-2020 special tax question EDH CSD

Mr. Williams,

I want to let you know that I have received your messages and am working to find the answers to why there are discrepancies between the different parcels. Mr. Harn is correct, the District does provide the Controller's Office a flat file with the dollar amounts for each parcel. I have attached a PDF that shows the assessments for this LLAD for the 2019-2020 period (courtesy of the County).

According to the Engineers (DTA), the assessment amount levied is dependent on the land use assigned to that property at the time of the enrollment. Parcels that are classified as developed single family lots (per the County roll) are charged the full amount of the assessment. Parcels that are classified as undeveloped single family lots (per the County roll) are charged of the full amount. Parcels that are classified as vacant are levied as a lower rate since it's assumed they will not be benefitting as much (from the services) as a parcel of developed property. The Engineers purchase the County Roll from the County and it is used to apply the assessment based on whether the parcel is developed or undeveloped. I realize that this explanation does not solve the discrepancy that you have brought to our attention. I am working to get the County Roll (that was purchased from the county) from the Engineers so I can audit this against what was assessed in the attachment.

I hope to have a response in the near future.

Teri Gotro

El Dorado Hills Community Services District

Controller

From: Joe Harn <joe.harn@edcgov.us>
Sent: Monday, December 14, 2020 2:57 PM
To: Robert Williams <bobw1800@gmail.com>
Cc: Teri Gotro <tgotro@edhcsd.org>; Kevin Loewen <kloewen@edhcsd.org>; John Hidahl <john.hidahl@edcgov.us>
Subject: Re: [*External*] Re: 2019-2020 special tax question EDH CSD

Bob,

I apologize for the ridiculous situation that you are in.

EDH CSD sets these LLAD assessment rates via resolution. The CSD then delegates the technical execution of establishing the assessment by parcel to a consultant in Newport Beach, David Taussig and Associates (DTA). DTA then sends my office an electronic file that lists the dollar amount of the assessment by parcel. I have no idea what quality assurance work the CSD or DTA does before the file is submitted to my office.

My office relies on the following written representation that DTA makes on behalf of the CSD, "The undersigned hereby: attests that the direct charge levies have been verified for accuracy and approved by the district."

Your question regarding the LLAD assessments is valid and should be answered by the CSD. If the CSD or their consultant cannot answer your question, I am going to be forced to question the accuracy of the written representations we receive from the CSD and DTA.

Joe Harn
Auditor-Controller
El Dorado County

On Mon, Dec 14, 2020 at 11:00 AM Robert Williams <bobw1800@gmail.com> wrote:

Joe,

I must again write to you in the hope of receiving an explanation for the difference in assessments levied by EDHCSD on LLAD #39 for the fiscal year of 2019-2020.

As demonstrated in this email string, CSD officials have dutifully attempted to explain the process that was applied to said assessments. However, an explanation of the specific actual discrepancies has not been forthcoming.

By example, I offer four LLAD #39 assessments from properties that were closed within a month of each other (May-June 2019).

PARCEL ID	ADDRESS	2019-2020 ASSESSMENT
117-670-024-000	6501 Primavera Ln	\$362.16
117-670-029-000	6512 Primavera Ln	\$362.16
117-690-069-000	5045 Del Mar Dr	\$90.54
117-690-056-000	3025 Calypso Cir	\$90.54

Scores of other examples have been identified.

Respectfully Submitted,

George Robert (Bob) Williams [6512 Primavera Lane](#) [El Dorado Hills, CA 95762](#)

On Wed, Dec 2, 2020 at 10:56 AM Robert Williams <bobw1800@gmail.com> wrote:

Thanks again Teri for the information and the rapid response.

All the lots in question were 100% occupied, yet assessed at different levels.

This is the CSD Special Assessment and I believe you do have the responsibility to take the lead in resolving this issue. At the same time, the County Auditor-Controller should call into question future CSD tax roll assessments until this is resolved. To date, I have involved the County Tax Collector, County Assessor and the County Auditor-Controller and point to you for resolution. I sincerely hope the matter can be resolved without further escalation.

Respectfully,

Bob

On Wed, Dec 2, 2020 at 10:46 AM Teri Gotro <tgotro@edhcsd.org> wrote:

Mr. Williams,

I can see your concern. I believe the discrepancy relates to the process by which the county reassigns a parcel from vacant parcel (25% assessment) to a occupied parcel (100% assessment). There may also be an issue with timing on when the builder reports the parcel sales to the County. I am not sure the District is able to assist you with reconciling the discrepancy because we send the assessment to the county and they apply it to the tax bill based on the land use assigned by the county.

I am including Joe Harn on this email, as he may have more information to resolve or explain the discrepancy.

Respectfully,

Teri

From: Robert Williams <bobw1800@gmail.com>

Sent: Wednesday, December 2, 2020 9:42 AM

To: Teri Gotro <tgotro@edhcsd.org>

Cc: Kevin Loewen <kloewen@edhcsd.org>; Joe Harn <joe.harn@edcgov.us>

Subject: Re: [*External*] Re: 2019-2020 special tax question EDH CSD

Teri,

Thank you for the kind effort to explain the process that was applied.

Here is the problem...the process appears to be broken. Some homeowners within the LLAD that were on the tax rolls before I closed were assessed \$90.54 while others paid \$362.16. Public records are offered as evidence.

I call CSD and the County Auditor to reconcile the discrepancy.

With Respect and Regards,

Bob

On Wed, Dec 2, 2020 at 9:31 AM Teri Gotro <tgotro@edhcsd.org> wrote:

Mr. Williams,

I believe I have the information you are looking for. The assessment you are referring to for FY 2019-2020 was set by a CSD Board resolution in June and the amount was \$380.91 per parcel (attached). We submit this to the County in August and at that time the households are assessed based on the land use assigned by the county at the time in August. If the county has the land use as occupied then the full assessment is applied. Note also that in a developing neighborhood, this full assessment most likely will have gone down because more homes have been purchased so the assessment is spread over more parcels (Example: original assessment \$380.91, final assessment \$362.16 as noted on your tax bill). If a home is assigned by the county as vacant in August, then the assessment is 25% of the full assessment (\$90.41). So you can see how a home that may have been purchased in July may get a different assessment then a home that is purchased in September. You would need to refer back to Joe Harn on how quickly the county makes this change in land use when a home is purchased.

It may be easier to discuss this over the phone, so let me know if you want to set up a time to discuss.

Respectfully,

Teri



Teri L. Gotro

Controller

1021 Harvard Way, El Dorado Hills, CA 95762

Direct Phone: 916-614-3217

tgotro@edhcsd.org

www.edhcsd.org



Find us on Facebook

From: Kevin Loewen <kloewen@edhcsd.org>
Sent: Tuesday, December 1, 2020 6:32 PM
To: Robert Williams <bobw1800@gmail.com>; Joe Harn <joe.harn@edcgov.us>
Subject: Re: [*External*] Re: 2019-2020 special tax question EDH CSD

Mr. Williams,

I've engaged staff on my team to inspect the assessment roll information supplied to the County. This should either answer the question from the CSD's side of things, or direct it back to the County to identify whether or not they are assessing varying amounts based upon factors such as time of purchase & tax/assessment collections.

Cordially,

Kevin A. Loewen

From: Robert Williams <bobw1800@gmail.com>
Sent: Tuesday, December 1, 2020 2:14 PM
To: Joe Harn
Cc: Kevin Loewen
Subject: [*External*] Re: 2019-2020 special tax question EDH CSD

Joe

Thank you for the rapid response.

Kevin and I have exchanged dozens of communications this year relative to LLAD #39 special tax including request for clarification on assessment differences. At your suggestion, I reach out to him again. I am including you in this request as County Auditor-Controller.

Kevin, at your convenience can you provide clarification on the amounts assessed within LLAD #39 for FY 2019-2020. I closed on the purchase of a home at [6512 Primavera Lane](#) on June 20, 2019 and was assessed \$362.16. A random sampling of other new home owners that closed escrow within months before and after that date shows either the \$362.16 figure or an assessment of \$90.41. Can you direct me to the source of these differences?

With respect,

Bob

[6512 Primavera LN El Dorado Hills, CA 95762](#)

On Mon, Nov 30, 2020 at 12:46 PM Joe Harn <joe.harn@edcgov.us> wrote:

Mr. Williams,

There should be a phone number on the same line of your tax bill. If you call that phone number they may be able to answer your question.

If you have already tried that phone number, Kevin Loewen at the EDH CSD can probably help you. I have CC'd Kevin on this email.

Feel free to contact me again if you still have questions.

Joe Harn

Auditor-Controller

El Dorado County

On Mon, Nov 30, 2020 at 11:46 AM Robert Williams <bobw1800@gmail.com> wrote:

I hope you are able to clarify an apparent discrepancy ... Kelly Coleman of the Tax Collector's office referred me to the Assessor's Office (Larry Argenio) who now sends me to you.

I am writing about the difference in the differing special tax assessment made among property owners for LLAD El Dorado Hills CSD #39 for the taxation year of 2019-2020.

I was assessed \$362.14 for that period. Other property owners within LLAD #39 who moved in at approximately the same time we charged \$90.41 for that same period. Can you confirm the reason for this difference? Scores of examples of this difference are easily documented from the public records.

Thank you in advance.

George Williams

[6512 Primavera LN](#)

[El Dorado Hills, CA 95762](#)

ASST ID: 117-670-029-000

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Kevin Loewen <kloewen@edhcsd.org>

[*EXTERNAL*] Fwd: EDH CSD Tax code 64326 Zone #39 files Carson Creek

1 message

Joe Harn <joe.harn@edcgov.us>
To: Kevin Loewen <kloewen@edhcsd.org>
Cc: Noelle Mattock <noellemattock@edhcsd.org>

Tue, Aug 3, 2021 at 4:02 PM

Kevin,

There appears to be an inconsistency between your Board's resolution related to this LLAD and the data file that was certified as accurate by the CSD's consultant. Please resolve this matter as soon as possible. The resolution says \$15.74 while the data file says \$13.74. My Property Tax Section is under a very tight deadline. This matter must be resolved by 5:00 pm on August 10th.

This inconsistency only came to our attention because of the many communications that we have received from the residents of the Heritage. We have not checked your other LLAD's or your other data files. Please have your staff and consultant check all of your LLAD's and data files. The accuracy and completeness of this data is the responsibility of your CSD. My Property Tax Section is not adequately staffed to check all of these direct charges.

I would appreciate an email from you and your Board President indicating that the CSD has done adequate quality control work on these direct charges and that the CSD takes full responsibility for their accuracy and completeness.

Joe Harn
Auditor-Controller

----- Forwarded message -----

From: **Sally Zutter** <sally.zutter@edcgov.us>
Date: Tue, Aug 3, 2021 at 2:12 PM
Subject: EDH CSD Tax code 64326 Zone #39 files
To: Joe Harn <joe.harn@edcgov.us>
Cc: Marsha Tover <marsha.tover@edcgov.us>

Here are the docs. Please note that their resolution says 15.74 while the data file submitted 13.74. Something seems off with that.

Sally Zutter, C.P.A.
Accounting Division Manager
Property Tax Division
El Dorado County Auditor-Controller
360 Fair Lane, Placerville, CA 95667
sally.zutter@edcgov.us
Phone (530) 621-5480 Fax (530) 295-2535

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2 attachments

9/8/22, 1:45 PM

El Dorado Hill Community Services District Mail - [*EXTERNAL*] Fwd: EDH CSD Tax code 64326 Zone #39 files Carson Creek



64326 - 21-22 levies as of 8-3-2021.pdf

57K



64326 - 21-22 resolution.pdf

800K



Kevin Loewen <kloewen@edhcsd.org>

[*EXTERNAL*] Non Levying of LLAD Assessments1 message

Joe Harn <joe.harn@edcgov.us>

Tue, Aug 10, 2021 at 1:32 PM

To: Kevin Loewen <kloewen@edhcsd.org>, Noelle Mattock <noellemattock@edhcsd.org>

Cc: Sally Zutter <sally.zutter@edcgov.us>

Kevin & Noelle,

Your attorney recently wrote to me and notified me that certain parcels have been over assessed in prior years. Accordingly, based on that fact and other communication I have received lately, the County Counsel recommended that I get written representations from CSD officers regarding the lawfulness, accuracy, and completeness of your Resolution establishing the LLAD assessments for fiscal 2021-22.

It is my understanding that County Counsel asked that you make representation for the following LLADs:

STONEGATE LLAD #1, \$89.76

OAK TREE LLAD #2, \$62.98

OAKRIDGE LLAD #3, \$289.44

GREEN VALLEY HILLS LLAD #5, \$76.90

LA CRESTA LLAD #6, \$158.30

CRESCENT RIDGE LLAD #7, \$117.84 & \$129.00

LAKE FOREST LLAD #8, \$19.54

FRANCISCO OAKS LLAD #10, \$183.94

MARINA HILLS LLAD #11, \$150.02

HIGHLAND HILLS UNIT 3 LLAD #13, \$770.56

WILD OAKS LLAD #14, \$5.92

SILVA VALLEY LLAD #15, \$282.92

BASS LAKE A LLAD #16, \$99.00

BASS LAKE B LLAD #16, \$66.36

CREEKSIDE GREENS LLAD #18, \$559.06 & \$196.94

ROADWAY LLAD #19, \$30.00

HIGHLAND HILLS UNITS 1, 2, & 4 LLAD #20, \$98.20

PROMONTORY LLAD #22, \$346.48

HOLLOW OAKS LLAD #23, \$461.72

HIGHLAND VIEW-HIGHLAND HILLS-STERLINGSHIRE VILLAGE LLAD #25, \$109.34

NORTH COMMERCIAL BLVD LLAD #29, \$834.76

VALLEY VIEW LLAD #33, \$173.54

LAKE FOREST PARK LLAD #36, \$62.96

WINDSOR POINT PARK LLAD #38, \$41.54

CARSON CREEK PARK LLAD #39, \$15.74

It is my understanding that County Counsel requested that the following representations be made:

"The General Manager and the Board of Directors of the El Dorado Hills CSD have decided to levy benefit assessments pursuant to the Lighting and Landscaping Act of 1972, Part 2 of division 15 of the California Streets and Highways Code. The Board of Directors and General Manager have determined that the amount of revenue available to the CSD is inadequate to meet the costs of operating and maintaining the facilities. The General Manager and the Board of Directors have reviewed the engineer's report prepared by DTA for each assessment and agrees with DTA's determination of special benefits for each parcel levied. The CSD has complied with all aspects of Proposition 218 and all required public hearings were properly noticed and conducted in compliance with the California Open Meetings Act. The CSD is responsible for the accuracy and completeness of all data used by DTA to prepare the engineer's reports and the data file prepared by DTA and submitted to the Auditor-Controller's Property Tax Division. The CSD affirms the lawfulness, accuracy, and completeness of the levies ordered in Resolution 2021-014 when modifying the levies by the weighting factors in each engineer's report. The CSD affirms the lawfulness, accuracy, and completeness of the levies by parcel included in the data files prepared by DTA and submitted to the Auditor-Controller's Property Tax Section."

Based on information that I have received from the County Counsel, it is my understanding that you will not make the written representations that the County has requested. It is my understanding that your attorney responded as follows: "At this point, the CSD is not willing to agree to the language you propose. If this means that Mr. Harn will not assess the LLAD's as certified by DTA, then the CSD will accept that result."

The purpose of this email is to confirm that you will accept the non-levying of the LLAD assessments listed above in this email.

Joe Harn
Auditor-Controller
El Dorado County

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Kevin Loewen <kloewen@edhcsd.org>

Re: [*EXTERNAL*] LLAD assessments on EDC tax bills1 message

Joe Harn <joe.harn@edcgov.us>

Mon, Aug 1, 2022 at 4:39 PM

To: Kevin Loewen <kloewen@edhcsd.org>

Cc: Michael Martinelli <michaelmartinelli@edhcsd.org>, "Tyra, David W." <dtyra@kmtg.com>, David Livingston <david.livingston@edcgov.us>

Kevin,

I am just asking for similar written representations from both the GM and the Board President that I received last year from you.

See attached.

Joe Harn
Auditor-Controller
El Dorado County

On Fri, Jul 8, 2022 at 2:50 PM Kevin Loewen <kloewen@edhcsd.org> wrote:

Hi Joe

Is this the same as your refusal to perform duties as was last year's refusal? Would you help us in describing in further detail what you mean by "the information that I have at this time"? Quite possibly we could provide you with the additional information that you are seeking.

Further, please specify the authority on which you are demanding a warranty from the District Board and it's General Manager?

Cordially,

Kevin Loewen

On Fri, Jul 8, 2022, 1:46 PM Joe Harn <joe.harn@edcgov.us> wrote:

Kevin,

Based on the information that I have at this time, I am going to require that the CSD General Manager and that the CSD Board Chair certify the accuracy of, and acknowledge responsibility for, the assessments that the CSD Board wishes to be placed on the property tax bills.

Joe Harn
Auditor-Controller
El Dorado County

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EDH CSD LLaD let from GM 8-11-2021.pdf

64K



Kevin Loewen <kloewen@edhcsd.org>

Fwd: [*EXTERNAL*] LLAD assessments on EDC tax bills

1 message

Kevin Loewen <kloewen@edhcsd.org>

Fri, Jul 22, 2022 at 8:00 AM

To: Joe Harn <joe.harn@edcgov.us>

Cc: "Tyra, David W." <dtira@kmtg.com>, David Livingston <david.livingston@edcgov.us>, Michael Martinelli <michaelmartinelli@edhcsd.org>

Good morning Joe,

I'm circling back on this email I sent to you 2 weeks ago. Were you going to provide a response to the questions I asked? We are working in good faith to resolve your concerns, but we need to understand them more clearly.

Thank you,

Kevin

----- Forwarded message -----

From: **Kevin Loewen** <kloewen@edhcsd.org>

Date: Fri, Jul 8, 2022, 2:49 PM

Subject: Re: [*EXTERNAL*] LLAD assessments on EDC tax bills

To: Joe Harn <joe.harn@edcgov.us>

Cc: Michael Martinelli <michaelmartinelli@edhcsd.org>, Tyra, David W. <dtira@kmtg.com>, David Livingston <david.livingston@edcgov.us>

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Further, please specify the authority on which you are demanding a warranty from the District Board and it's General Manager?

Cordially,

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El Dorado County

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Kevin Loewen <kloewen@edhcsd.org>

[*EXTERNAL*] Fwd: EDH CSD Tax code 64326 Zone #39 files Carson Creek

1 message

Joe Harn <joe.harn@edcgov.us>

Mon, Aug 1, 2022 at 4:32 PM

To: Kevin Loewen <kloewen@edhcsd.org>

Cc: Michael Martinelli <michaelmartinelli@edhcsd.org>

Kevin and Mike,

I am sending you this email to remind you that we dealt with this same matter one year ago.

See the big and bold below:

Also, see the attached PDF.

Joe Harn
Auditor-Controller
El Dorado County

----- Forwarded message -----

From: **Joe Harn** <joe.harn@edcgov.us>

Date: Tue, Aug 3, 2021 at 4:02 PM

Subject: Fwd: EDH CSD Tax code 64326 Zone #39 files Carson Creek

To: Kevin Loewen <kloewen@edhcsd.org>

Cc: Noelle Mattock <noellemattock@edhcsd.org>

Kevin,

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This inconsistency only came to our attention because of the many communications that we have received from the residents of the Heritage. We have not checked your other LLAD's or your other data files. Please have your staff and consultant check all of your LLAD's and data files. The accuracy and completeness of this data is the responsibility of your CSD. My Property Tax Section is not adequately staffed to check all of these direct charges.

I would appreciate an email from you and your Board President indicating that the CSD has done adequate quality control work on these direct charges and that the CSD takes full responsibility for

their accuracy and completeness.

Joe Harn
Auditor-Controller

----- Forwarded message -----

From: **Sally Zutter** <sally.zutter@edcgov.us>

Date: Tue, Aug 3, 2021 at 2:12 PM

Subject: EDH CSD Tax code 64326 Zone #39 files

To: Joe Harn <joe.harn@edcgov.us>

Cc: Marsha Tover <marsha.tover@edcgov.us>

Here are the docs. Please note that their resolution says 15.74 while the data file submitted 13.74. Something seems off with that.

Sally Zutter, C.P.A.
Accounting Division Manager
Property Tax Division
El Dorado County Auditor-Controller
360 Fair Lane, Placerville, CA 95667
sally.zutter@edcgov.us
Phone (530) 621-5480 Fax (530) 295-2535

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64K



Kevin Loewen <kloewen@edhcsd.org>

Re: [*EXTERNAL*] LLAD assessments on EDC tax bills1 message

Joe Harn <joe.harn@edcgov.us>

Mon, Aug 1, 2022 at 4:39 PM

To: Kevin Loewen <kloewen@edhcsd.org>

Cc: Michael Martinelli <michaelmartinelli@edhcsd.org>, "Tyra, David W." <dtyra@kmtg.com>, David Livingston <david.livingston@edcgov.us>

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See attached.

Joe Harn
Auditor-Controller
El Dorado County

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Further, please specify the authority on which you are demanding a warranty from the District Board and it's General Manager?

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Kevin Loewen

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El Dorado County

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Kevin Loewen <kloewen@edhcsd.org>

Re: [*EXTERNAL*] LLAD assessments on EDC tax bills

1 message

Kevin Loewen <kloewen@edhcsd.org>

Tue, Aug 9, 2022 at 2:02 PM

To: Joe Harn <joe.harn@edcgov.us>

Cc: Michael Martinelli <michaelmartinelli@edhcsd.org>, "Tyra, David W." <dtyra@kmtg.com>, David Livingston <david.livingston@edcgov.us>

Hello Joe,
I'm sending examples of the discrepancies that the County assessment roll file contains for the upcoming tax/assessment period. In Carson Creek/Heritage I've identified approximately 35 parcel errors and have provided sample supportive data to that effect.

With the errors being an embodiment of County data files recorded - some of which are dating back to 2018 - I don't see how in any sort of confidence a warranty from the District can be made when the County's data is inaccurate. Furthermore, there may have been other - non-CSD - oversights in other tax collection(s) due to the inaccuracies related to designating parcels as vacant land when in fact they have been sold?

What mechanism is in place for the District to begin/end editing the County data files for assessment rolls? Instead, we will need to submit our assessment file data against the County Assessment Roll file and any errors thereafter will either a) be rectified with the homeowner, or b) absorbed by the District.

At this time, the CSD will certify the assessment file on the basis that the County's data is correct and expect the Auditor's Office to perform its duties. To address your warranty demand, the District will warranty accuracy to the extent that the County's data is accurate, and will continue to rectify any errors that are found thereafter.

Respectfully,

**Kevin A. Loewen***General Manager*

1021 Harvard Way, El Dorado Hills, CA 95762

Phone: (916) 614-3212

www.edhcsd.org

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Auditor-Controller
El Dorado County

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2 attachments

 **Carson Creek_64326_Assessment Roll.xlsx**
35K

 **Parcel Research Reports Combined.pdf**
2236K



Kevin Loewen <kloewen@edhcsd.org>

[*EXTERNAL*] Re: LLAD assessments on EDC tax bills

1 message

Joe Harn <joe.harn@edcgov.us>

To: Kevin Loewen <kloewen@edhcsd.org>, Michael Martinelli <michaelmartinelli@edhcsd.org>, "Tyra, David W." <dtyra@kmtg.com>

Cc: David Livingston <david.livingston@edcgov.us>

Kevin,

Based on the information that I have at this time, I am going to require that the CSD General Manager and that the CSD Board Chair certify the accuracy of, and acknowledge responsibility for property tax bills. Attached is a copy of the written representations that you provided a year ago. Below is a copy of the email that I sent you on July 8, 2022.

All documents related to the CSD's direct charges were due on August 10th.

Joe Harn
Auditor-Controller
El Dorado County

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EDH CSD LLAD let from GM 8-11-2021.pdf
64K



Kevin Loewen <kloewen@edhcsd.org>

[*EXTERNAL*] Re: LLAD assessments on EDC tax bills

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Joe Harn <joe.harn@edcgov.us>

To: Kevin Loewen <kloewen@edhcsd.org>, Michael Martinelli <michaelmartinelli@edhcsd.org>, "Tyra, David W." <dtyra@kmtg.com>
Cc: David Livingston <david.livingston@edcgov.us>, John Hidahl <john.hidahl@edcgov.us>

Kevin,

I need a copy of your written representations today. We intend to start finalizing the tax bill preparation process at 6 am tomorrow morning.

Joe Harn
Auditor-Controller
El Dorado County

On Wed, Aug 17, 2022 at 10:27 AM Joe Harn <joe.harn@edcgov.us> wrote:

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Kevin Loewen <kloewen@edhcsd.org>

Re: [*EXTERNAL*] Re: LLAD assessments on EDC tax bills

1 message

Kevin Loewen <kloewen@edhcsd.org>

To: Joe Harn <joe.harn@edcgov.us>

Cc: Michael Martinelli <michaelmartinelli@edhcsd.org>, "Tyra, David W." <dtyra@kmtg.com>, David Livingston <david.livingston@edcgov.us>, John Hidahl <john.hidahl@edcgov.us>

Joe:

This email will respond to the emails I received from you today.

In your first message at 10:27, you state that "[b]ased on the information that I have at this time," you are requiring representations from the CSD. But that you clarify what you mean by "the information you have at this time." You have never responded to those inquiries. Please do so now.

You also have never responded to the information I provided to you demonstrating the numerous and significant inaccuracies in the tax rolls provide it impossible for the District to provide you with the representations you are demanding.

In light of your failure to respond to my previous inquiries, I wish to make the District's position regarding your demand clear.

First, there is no legal authority by which you can require the District to provide you with the representations you have demanded.

Second, the District provided all necessary information regarding LLAD assessments by the August 10 statutory deadline.

Third, we interpret your email sent at 11:33 today demanding representations by close of business today to be a threat to refuse to include LLAD as representations. Given this threat, the District has no other option than to explore all available legal remedies in the form of mandamus and injunctive your office. Should such litigation become necessary, as it now appears to be the case, the District will seek to recover all legal fees and costs from course of action.

I am available through the remainder of the day to discuss.

**Kevin A. Loewen***General Manager*

1021 Harvard Way, El Dorado Hills, CA 95762

Phone: (916) 614-3212

www.edhcsd.org

On Wed, Aug 17, 2022 at 11:33 AM Joe Harn <joe.harn@edcgov.us> wrote:

Kevin,

I need a copy of your written representations today. We intend to start finalizing the tax bill preparation process at 6 am tomorrow morning.

Joe Harn
Auditor-Controller
El Dorado County

On Wed, Aug 17, 2022 at 10:27 AM Joe Harn <joe.harn@edcgov.us> wrote:

Kevin,

Based on the information that I have at this time, I am going to require that the CSD General Manager and that the CSD Board Chair certify the accuracy of, and acknowledge responsible property tax bills. Attached is a copy of the written representations that you provided a year ago. Below is a copy of the email that I sent you on July 8, 2022.

All documents related to the CSD's direct charges were due on August 10th.

9/22/22, 8:12 AM

El Dorado Hill Community Services District Mail - Re: [*EXTERNAL*] Re: LLAD assessments on EDC tax bills

Joe Harn
Auditor-Controller
El Dorado County

On Fri, Jul 8, 2022 at 1:46 PM Joe Harn <joe.harn@edcgov.us> wrote:
Kevin,

Based on the information that I have at this time, I am going to require that the CSD General Manager and that the CSD Board Chair certify the accuracy of, and acknowledge responsibility for, the property tax bills.

Joe Harn
Auditor-Controller
El Dorado County

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Kevin Loewen <kloewen@edhcsd.org>

[*EXTERNAL*] assessments on tax bills 8-17-22

1 message

Joe Harn <joe.harn@edcgov.us>

Wed, Aug 17, 2022 at 1:42 PM

To: Kevin Loewen <kloewen@edhcsd.org>

Cc: "Tyra, David W." <dtira@kmtg.com>, David Livingston <david.livingston@edcgov.us>, Michael Martinelli <michaelmartinelli@edhcsd.org>, John Hidahl <john.hidahl@edcgov.us>, Ben Paulsen <benpaulsen@edhcsd.org>, Donald Ashton <don.ashton@edcgov.us>

Kevin, I need written representations from you like last year by 4 pm today. If you believe that the county assessor's data is not reliable, you shouldn't use it to compute lighting and landscaping assessments.

I am happy to meet with you and the assessor to discuss any concerns that you have.

I am happy to meet with you in a couple of your board members to discuss this matter at a future date. I need written representations from you by 4 PM today.

I asked for the written representations on July 8.

Joe Harn

On Wednesday, August 17, 2022, Kevin Loewen <kloewen@edhcsd.org> wrote:

Good afternoon Joe,

As time is of the essence, could you respond to the message sent earlier today and attached here as well? The message thread here which you've added more CSD Directors to is outdated, starting on July 8th and then left without a response since July 22nd, or at least this is how it appears here with new recipients on the message thread. I'll also attach the letter provided to you last week in which my office provided the backup to errors in the County Tax Roll Files. I hope this helps in bringing folks up to speed on this matter, and I respectfully request responses to the inquiries made over the past month.

Respectfully,

**Kevin A. Loewen***General Manager*

1021 Harvard Way, El Dorado Hills, CA 95762

Phone: (916) 614-3212

www.edhcsd.org

On Wed, Aug 17, 2022 at 12:22 PM Joe Harn <joe.harn@edcgov.us> wrote:

Kevin, time is of the essence. A year ago you gave me a written representations related to the district's lighting and landscaping assessments. I'm just asking for what you gave me last year.

Your district is responsible for the accuracy and completeness of the direct charges that you are asking me to put on the tax bills. I am simply asking you for the same written representations that you gave me a year ago. If you believe that there are problems with the data that you receive from the county assessor, bring those problems to his attention.

I need the written representations by 4 PM today.

Joe Harn

On Friday, July 22, 2022, Kevin Loewen <kloewen@edhcsd.org> wrote:

Good morning Joe,

I'm circling back on this email I sent to you 2 weeks ago. Were you going to provide a response to the questions I asked? We are working in good faith to resolve your concerns, but we need to understand them more clearly.

Thank you,

Kevin

----- Forwarded message -----

From: **Kevin Loewen** <kloewen@edhcsd.org>

Date: Fri, Jul 8, 2022, 2:49 PM

Subject: Re: [*EXTERNAL*] LLAD assessments on EDC tax bills

To: Joe Harn <joe.harn@edcgov.us>

Cc: Michael Martinelli <michaelmartinelli@edhcsd.org>, Tyra, David W. <dtyra@kmtg.com>, David Livingston <david.livingston@edcgov.us>

Hi Joe

Is this the same as your refusal to perform duties as was last year's refusal? Would you help us in describing in further detail what you mean by "the information that I have at this time"? Quite possibly we could provide you with the additional information that you are seeking.

Further, please specify the authority on which you are demanding a warranty from the District Board and it's General Manager?

Cordially,

Kevin Loewen

On Fri, Jul 8, 2022, 1:46 PM Joe Harn <joe.harn@edcgov.us> wrote:
Kevin,

Based on the information that I have at this time, I am going to require that the CSD General Manager and that the CSD Board Chair certify the accuracy of, and acknowledge responsibility for, the assessments that the CSD Board wishes to be placed on the property tax bills.

Joe Harn
Auditor-Controller
El Dorado County

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Joe Harn
Auditor-Controller
El Dorado County

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prohibited. If you are not the intended recipient, please contact the sender immediately and permanently delete the original and any copies of this email and any attachments.

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Joe Harn
Auditor-Controller
El Dorado County

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County of El Dorado

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JOE HARN, CPA
Auditor-Controller

BOB TOSCANO
Assistant Auditor-
Controller

August 22, 2022

Kevin Loewen, General Manager
El Dorado Hills Community Services District
1021 Harvard Way
El Dorado Hills, California 95762

Subject: LLAD Assessments Levied on Behalf of the El Dorado Hills CSD

Kevin:

As you will recall, you provided the attached letter of representation to my attorney, David Livingston, on August 11, 2021, to support the 2021-22 LLAD assessments on behalf of the CSD. I will summarize some of the factors that led up to my request for written representations back in 2021.

In fiscal 2020-21, my office received a number of inquiries and complaints from your residents regarding questions about their LLAD assessments. In fact, the CSD's staff referred property owners to my office if the property owners had questions regarding the assessments. Although, the law requires your Board to set the assessments and the County was just complying with the apparent direction from your Board, you and your staff referred homeowners to my office. One frequently asked question was, "How can the CSD Board make a finding that my parcel receives special benefits for the maintenance expenses for a park that is closed?" The CSD refused to answer that question regardless of whether the question was asked by the public or the County Auditor-Controller.

On June 10, 2021, your Board adopted Resolution 2021-14 which ordered a levy of \$15.74 per parcel for the Carson Creek Park LLAD. I was made aware of your Board's action by a disenchanted property owner in Carson Creek. The levy request delivered by the CSD's consultant, however, was for \$13.74 per parcel. The consultant attested that the \$13.74 levy had been verified for accuracy and approved by the CSD. Further, the consultant's delivered levy for a number of parcels was for 25% of the amount ordered by the CSD Board in Resolution 2021-14. Again, I reached the conclusion that I could not rely on your consultant's written attestation as to compliance with your Board's ordered specific actions on June 10, 2021.

Between June 10, 2021, and August 11, 2021, the CSD requested that my office ignore your Board's order related to parcels that your consultant deemed vacant and levy them at 25% of the specific language in the resolution.

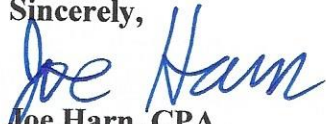
Because of the issues described above and because my office is not adequately staffed to review each and every requested LLAD assessment requested by your district, I requested written representations for you and your Board President. Because of Brown Act concerns raised by the CSD, I accepted written representation from just you in your official capacity.

Between August 11, 2021, and today, no evidence has come forward that would make me change my conclusion that I should not rely upon the representations of your consultant from Newport Beach when the CSD's General Manager and Board of Directors are responsible for the LLAD assessments. Your Board continues to make findings that homeowners receive special benefits and accordingly should pay assessments for park maintenance expenses for a park that is closed. Twice in last 12 months your Board has voted to refund LLAD assessments after many legitimate complaints were received about the impropriety of the initial finding to levy the assessments. Further, on June 30, 2022, the Civil Grand Jury issued a report criticizing the CSD's administration of LLADs. One of the Grand Jury's recommendations stated, "The EDH CSD should contract with an outside consulting firm to develop and implement a quality control process to ensure the annual assessment file sent to the County Auditor-Controller is correct."

On July 8, 2022, I sent you an email stating, "Based on the information that I have at this time, I am going to require that the CSD General Manager and the CSD Board Chair certify the accuracy of, and acknowledge responsibility for, the assessments that the CSD Board wishes to be placed on the property tax bills." Despite my repeated requests for written representations, I did not receive them by the August 10th deadline. I called you, texted you, and emailed you regarding this matter on August 17th. I also texted your Board President and talked to another Director on the phone on August 17. In response, not only did you refuse to provide the same representations and warranties that were provided in 2021, but you acknowledged the existence of inaccuracies in the assessments. Whether or not those inaccuracies are the result of information provided by the County is irrelevant as it is the CSD that bears responsibility for confirming the accuracy of its assessments prior to placement on the tax roll.

On August 18th, my office extended the property tax roll with assessments requested by your consultant for Rodeway LLAD #19 only. The property tax roll was extended without any of the other LLAD assessments provided by your consultant. To be clear, the El Dorado Hills CSD's LLAD assessments, other than Rodeway LLAD#19, were not placed on the property tax bills for fiscal year 2022-23.

Sincerely,



Joe Harn, CPA
Auditor-Controller

CC: Supervisors John Hidahl and George Turnboo
Director Michael Martinelli
David Livingston, County Counsel

Attachment: Loewen Letter dated 8-11-2021



August 11, 2021

David Livingston, County Counsel

County of El Dorado

RE. El Dorado Hills Community Services District LLAD's

Pursuant to Government Code 61120, the Board of Directors of the El Dorado Hills Community Services District ("CSD") has determined that the amount of revenue available to it or any of its zones is inadequate to meet the costs of operating and maintaining facilities within the LLAD's listed in CSD Board Resolution 2021-14. Accordingly, the Board of Directors has decided to levy benefit assessments pursuant to the Landscaping and Lighting Act of 1972, Part 2 of division 15 of the California Streets and Highways Code. The CSD has reviewed the engineer's report prepared by DTA for each assessment and agrees with DTA's determination of special benefits for each parcel levied. The CSD is unaware of any deviations from the requirements of Proposition 218 and the California open meetings laws, including the Ralph M. Brown Act, which would materially affect the validity of the subject assessments. The CSD affirms the accuracy and completeness of all data used by DTA to prepare the engineer's reports and the data file prepared by DTA in support of the LLAD assessments set forth in EDHCSD Board Resolution 2021-14 and submitted to the Auditor-Controller's Property Tax Division. This includes the recertification of the assessment for Carson Creek LLAD #39 sent by Chris Hnatiuk of DTA to Marsha Tover on August 6, 2021 at 1:21pm. The CSD further affirms the lawfulness, accuracy, and completeness of the levies ordered in Resolution 2021-14 when modifying the levies by the weighting factors in each engineer's report.

Respectfully,

Kevin A. Loewen, General Manager