



September 7, 2022

The Honorable Sarah H. Heckman  
Presiding Judge of the Sutter County Superior Court  
1175 Civic Center Boulevard  
Yuba City, CA 95993

**ENDORSED FILED**

SEP 22 2022

SUPERIOR COURT OF CALIFORNIA  
COUNTY OF BUTTER  
CLERK OF THE COURT  
By JACKIE LASWELL Deputy

To the honorable and presiding Judge Heckman:

I am herewith submitting the response to the findings and recommendations of the 2020-2021 Grand Jury Final Report. I have responded to the following reports as requested by the Sutter County Grand Jury:

- F1 - When the LO city council did not appoint a council person to fill the vacant council seat it cost the citizens of Live Oak financially.
- F2 - The City Council of Live Oak did not pass the budget in a timely fashion.
- F3 - The City Council of Live Oak scheduled a budget workshop to resolve the budget deadlock, but all members of the council did not attend.
- F4 - The City Council of Live Oak did not pass the authorization to collect the annual CFDs and special assessments by September 2021, therefore these could not be added to the tax rolls.
- F5 - This year's CFD taxes could not be collected. This has cost the city over \$800,000 in budget reserves.

I want to thank the honorable Judge Sarah H. Heckman and the Grand Jurors for their service to the residents of Sutter County. Grand Jury service and Judicial services requires a great amount of time and effort, and each juror's and judge's dedication is truly appreciated. I would be happy to meet with the Grand Jury to discuss any or all of these issues.

Sincerely,

Mayor  
Nancy Santana

**RECEIVED**

SEP 12 2022

SUPERIOR COURT OF CALIFORNIA  
COUNTY OF BUTTER

Please accept this response on behalf of the Live Oak City Council regarding the findings of the Grand Jury for FY 2020/2021. It has been my honor to get to know the Grand Jury members and to provide an overview of the Live Oak City Council. I want to express my appreciation of the Grand Jury and the role they play in helping to bring deficiencies to our attention. I have reviewed the proposed report and offer the following responses to both the "Findings" and the "Recommendations" suggested by the Grand Jury.

## Findings

The following is the City of Live Oak's official response to the Grand Jury's five findings:

**F1:** When the City of Live Oak did not appoint a council person to fill the vacant council seat, it cost the citizens of Live Oak financially.

**Response:** Disagrees in part. The City of Live Oak had nine applicants for the open City Council seat. Six of those were moved to a vote, and each of the six candidates failed on a 2-2 vote each time. Five of the six candidates Santana and Woten voted yes and Thiara and Ghag voted no. The sixth candidate Thiara and Ghag voted yes and Woten and Santana voted no. However, it should be noted that we disagree in part because not all candidates are necessarily qualified to fill the position.

**F2:** The City Council did not pass the budget in a timely fashion.

**Response:** Agree. The City Council was presented with the final 2021-2022 Annual Budget for approval at the June 2, 2021, meeting and it was moved to the June 16, 2021, meeting. The budget was then tabled at the June 16, 2021, meeting. There was a budget workshop and then a special council meeting to approve the budget. However, only Council Members Woten and Santana were present. Council Members Thiara and Ghag were absent. At the following seven meetings the budget was presented for adoption and failed each time to a 2-2 vote. The dates for those seven meetings were, June 29, 2021; July 7, 2021; July 14, 2021; June 21, 2021; August 4, 2021; September 9, 2021; September 15, 2021. Each time Council Members Woten and Santana voted yes while Council Members Thiara and Ghag voted no. At the December 20, 2021, Council meeting, the City Council passed the 2021-2022 Annual Budget by a vote 4-0. It is to note that the original budget that was presented to the City Council on June 29, 2021, for approval was the same that was passed at the December 20, 2021, Council meeting. There were no changes between the original presented budget and the budget that was adopted.

**F3:** The City Council of Live Oak scheduled a budget workshop to resolve the budget deadlock, but all members of the Council did not attend.

**Response:** Agree. At the request of Council Member Thiara, a Budget Workshop was scheduled for June 29, 2021. Council Members Woten and Santana attended; however, Council Members Thiara and Ghag did not attend. The Grand Jury did commend the two Council Members who took part in the scheduled budget workshop as well as commended them in making a great effort to work cooperatively with the rest of the Council.

**F4:** The City Council of Live Oak did not pass the authorization to collect the annual CFDs and special assessments by September 2021, therefore these could not be added to the tax rolls.

**Response:** Agree. The 92-1 and 2004-1 CFDs were presented to the City Council for adoption on August 4, 2021 and failed on a 2-2 vote. Council Members Woten and Santana voted yes while Council Members Thiara and Ghag voted no.

The special assessments were presented to the City Council for adoption on September 1, 2021 and failed on a 2-2 vote. Council Members Woten and Santana voted yes while Council Members Thiara and Ghag voted no.

F5: This years CFDs could not be collected. This has cost the City over \$800,000 in budget reserves.

**Response.** Agree. CFDs were presented to the City Council for adoption. Council Members Woten and Santana voted yes while Council Members Thiara and Ghag voted no, resulting in over \$800,000 in lost Revenues. Instead of the City taking funds out of the general fund, the City used the ARPA funding to make up the difference for the lost revenue.

## **Recommendations**

The following is the City of Live Oak's official response to the Grand Jury's five recommendations:

R1: The City Council of Live Oak will pass the budget in a timely fashion.

**Response:** The recommendation has been implemented. The City Council passed the 2022-2023 Annual Budget ahead of schedule on May 18, 2022, by a vote of 4-1. This is approximately 6 weeks before the State's deadline to have such budgets adopted.

R2: The City Council of Live Oak will establish budget workshop dates with sufficient time to resolve any concerns prior to voting on the budget resolution.

**Response:** The recommendation has been implemented. The FY 2022-2023 Annual Budget had three workshops. Those dates were: March 30, 2022; April 6, 2022; and April 20, 2022.

R3: All members of the City Council will participate in any budget workshops to understand the proposed budget and to discuss areas of concerns.

**Response:** The recommendation has been implemented. All five Council Members attended all three budget workshops for the FY 2022-2023 Annual Budget.

R4: The City Council of Live Oak will pass the authorization to collect the annual CFDs and special assessments in a timely manner, so that these levies can be added to the current year's tax rolls.

**Response:** The recommendation has been implemented in part. The CFDs 92-1 and 2004-1 were adopted for collection at the August 3, 2022, City Council meeting by a vote of 3-2. The special assessments will be placed on a City Council meeting for adoption once received by the Sutter County Assessor's Office.

The mayor is grateful for the recommendations of the Grand Jury. If the Grand Jury would like to discuss any of these issues in greater detail, please feel free to contact the mayor.

Mayor Nancy Santana