




# TRINITY COUNTY

Board of Supervisors

P.O. BOX 1613, WEAVERVILLE, CALIFORNIA 96093  
PHONE (530) 623-1217 FAX (530) 623-8365

TO: The Honorable Elizabeth Johnson  
Presiding Judge of the Superior Court

FROM: Trinity County Board of Supervisors 

CC: Wendy G. Tyler, Clerk of the Board of Supervisors

SUBJECT: Response to Recommendations of 2013/2014  
Grand Jury Finance and Administration Committee Final Report  
Re: FAR 2013-2014-0185 Business Enterprise Loans

DATE: *September 23, 2014*

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The Grand Jury Finance and Administration Committee has requested a written response to their final report on the FAR 2013-2014-0185 Business Enterprise Loans. The response of the Trinity County Board of Supervisors is as follows:

**Finding #1:** Berkowitz Loan: The County was correct in closing this account. No assets remained for collection

**Response:** Agree.

**Recommendation #1:** No action; the matter closed.

**Response:** Implemented.

**Finding #2:** Rogers Loan: While no payments are being made on the loan at present, there is some possibility, however small, that repayment may eventually be made.

**Response:** Agree.

**Recommendation #2:** TC should continue to monitor progress of the business and take appropriate steps to collect if and when the business turns around.

**Response:** Implementing.

JUDY PFLUEGER  
DISTRICT 1

JUDY MORRIS  
DISTRICT 2

KARL FISHER  
DISTRICT 3

DEBRA CHAPMAN  
DISTRICT 4

JOHN FENLEY  
DISTRICT 5

Judge Johnson  
FAR 2013-2014-0185  
September 23, 2014

**Finding #3:** Johnson Loan: The complainant was essentially correct in that the loan balance is very large and TC is not taking aggressive, pro-active steps to demand repayment.

**Response:** Partially agree. The loan amount is larger but the County has made different attempts to obtain payments, including the offer to renegotiate. Attempt of such was not fruitful and after the foreclosure, and lack of UCC-1 filing and personal guarantees the County has not aggressively sought repayment.

**Recommendation #3:** TC should take immediate steps to attempt to collect this debt. Actions to be explored include:


- a) A letter from County Counsel to the Johnson's indicating that collection steps are about to commence.
- b) Obtaining a court order authorizing wage garnishment on either or both borrowers.
- c) Reporting the loan default to the three major credit-reporting agencies.
- d) Turning the loan over to a professional debt-collecting agency.

**Response:** The County is reviewing different options with collection of the note within our legal and fiscal means. The County appreciates the recommendations.



**TRINITY COUNTY**  
Office of the County Administrator  
WENDY G. TYLER  
County Administrative Officer  
P.O. BOX 1613, WEAVERVILLE, CALIFORNIA 96093-1613  
PHONE (530) 623-1382 FAX (530) 623-8365

TO: The Honorable Elizabeth Johnson,  
Judge of the Superior Court

FROM:  Wendy G. Tyler, County Administrative Officer

CC: Clerk of the Board of Supervisors

SUBJECT: Response to Recommendations of 2013/14  
Grand Jury Finance and Administration Committee Final Report  
FAR-2013-2014-0185

DATE: August 20, 2014

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The Grand Jury Finance and Administration Committee has requested a written response to their final report referenced above. In my capacity as County Administrative Officer my response is as follows:

**Finding #1:** *Berkowitz Loan: The County was correct in closing this account. No assets remained for collection.*

**Response:** I agree with this finding.

**Recommendation #1:** *No Action; the matter closed.*

**Finding #2:** *Rogers Loan: While no payments are being made on the loan at present, there is some possibility, however small, that repayment may eventually be made.*

**Response:** I agree with this finding.

**Recommendation #2:** *TC should continue to monitor progress of the business and take appropriate steps to collect if and when the business turns around.*

**Response:** Has been implemented.

**Finding #3:** *Johnson Loan: The complainant was essentially correct in that the loan balance is very large and TC is not taking aggressive, -pro-active steps to demand repayment.*

**Response:** I agree in part with this finding. The balance on the loan is large. The County made numerous attempts to renegotiate the loan prior to foreclosure on the first. Subsequent to the foreclosure, the County has not aggressively sought repayment due to lack of UCC-1 filing and personal guarantees of the borrower.

**Recommendation #3:** *TC should take immediate steps to attempt to collect this debt. Actions to be explored include:*

*a) A letter from County Counsel to the Johnsons indicated that collection steps are about to commence.*

*b) Obtaining a court order authorizing wage garnishment on either or both borrowers.*

*c) Reporting the loan default to the three major credit-reporting agencies.*

*d) Turning the loan over to a professional debt-collection agency.*

**Response:** Will be implemented to the extent legally and fiscally possible. The County is reviewing options regarding collection on the note.