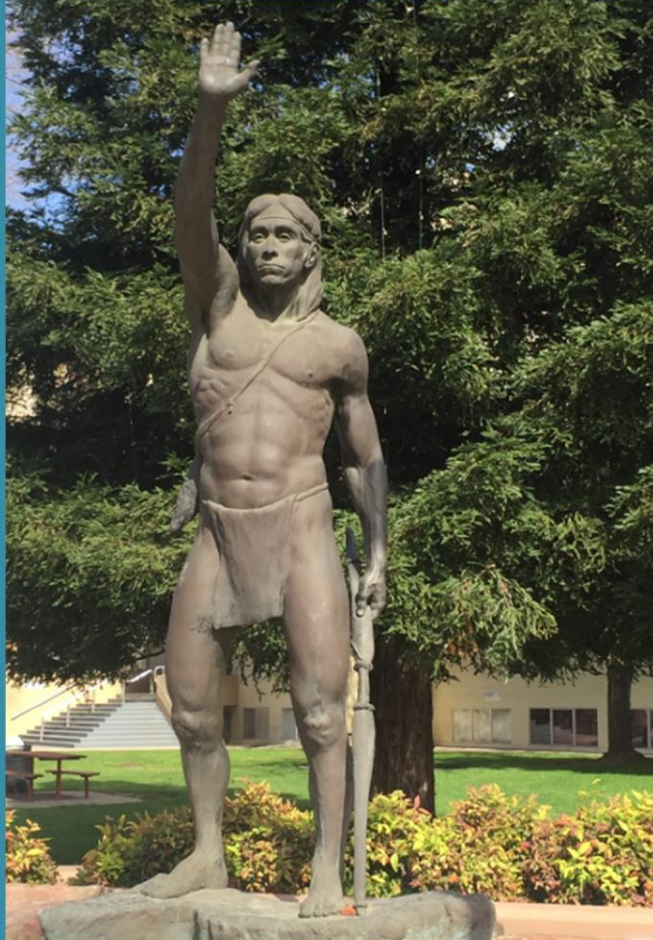


Stanislaus County Civil Grand Jury 2017-2018



Final Report

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Stanislaus County Civil Grand Jury

Post Office Box 3387 • Modesto, California 95353 • (209) 525-4252 • Fax (209) 558-8170

Honorable Judge Ricardo Cordova
Presiding Judge of the Superior Court of California, County of Stanislaus
800 11th Street
Modesto, CA 95354

Dear Judge Cordova,

The 2017-2018 Stanislaus County Civil Grand Jury is pleased to submit its final report of the investigations of complaints received from members of the public, investigations initiated by the Civil Grand Jury, and mandated inspections of law enforcement facilities.

On behalf of all the grand jurors I would like to thank you, the Court Executive Officer/Jury Commissioner, the Assistant Court Executive Officer, the Stanislaus County Counsel, the Stanislaus County District Attorney office, and the Civil Grand Jury Administrative Assistant for their excellent guidance and support during the 2017-2018 Civil Grand Jury term.

The Civil Grand Jury completed the mandatory inspection of all the Stanislaus detention facilities. The jurors attended and participated in the Stanislaus Audit entrance and exit meetings conducted by Brown Armstrong Accountancy Corporation as mandated. The Civil Grand Jury also completed a follow-up of the responses to the 2016-2017 Stanislaus County Civil Grand Jury's final report ensuring accountability.

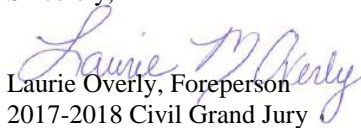
The jurors took their duty very seriously and gave careful consideration to every complaint received. They spent months compiling research, conducting interviews, and evaluating information. Complaints were investigated and reports were written in regard to the Burbank Paradise Fire Protection District and the Riverdale Park Tract Community Services District.

The jurors participated in the following tours: the Coroner Facility, the Stanislaus County Juvenile Hall, the Regional 9-1-1 Dispatch Center, the Downtown Men's Jail, the Public Safety Center, Units 1, 2, & 3, and the Modesto Police Department. The jurors also participated in the observation of the election process.

The Civil Grand Jury initiated and conducted, without prejudice, discretionary investigations, and assessments of fourteen independent special fire districts. The jurors also took on the extensive and detailed task of revising the procedure manual for the Civil Grand Jury.

The Civil Grand Jurors should be commended for their diligence and attention to detail that resulted in this final report. It has been an honor to serve as the foreperson of the Stanislaus County Civil Grand Jury during the 2017-2018 term.

Sincerely,


Laurie Overly, Foreperson
2017-2018 Civil Grand Jury



FOREPERSON	Laurie M. Overly
FOREPERSON PRO TEM	Richard F. Rodman
RECORDING SECRETARY	Andrea L. Jones
SERGEANT AT ARMS	Larry W. Sanders

GRAND JURY PANEL

Kenneth L. Adair	Modesto	James B. McKay	Modesto
Brian R. Bigelow	Modesto	Laurie M. Overly	Modesto
Michelle M. Edwards	Ceres	Jerome G. Panella Jr.	Ceres
Jason D. Flores	Modesto	Dalbir S. Plaha	Denair
Barbara J. Harris	Oakdale	Timothy C. Ragsdale	Modesto
Tim Hodgson	Modesto	Richard F. Rodman	Modesto
Mickey E. Johnson	Modesto	Larry W. Sanders	Turlock
Andrea L. Jones	Modesto	Lee Shockey	Turlock
Ann Kalajian	Modesto	Mary E. Wise	Modesto
Paul V. Kantro	Modesto		

Summary of Responses to the 2016-2017 Stanislaus County Civil Grand Jury's Final Reports

SUMMARY

Following up on the findings and recommendations from a prior year is a primary responsibility of the Stanislaus County Civil Grand Jury (SCCGJ). Each year the Grand Jury issues reports with findings and recommendations directed to Stanislaus County officials, agencies, municipal, and other public entities. Findings are written responses as dictated by California Penal Code Sections 933 and 933.05 and are an important function of all California Grand Juries. Governing bodies of public agencies are required to respond no later than 90 days after the Civil Grand Jury submits a final report; elected county officers, including county boards of supervisors and agency heads, are required to respond no later than 60 days.

GLOSSARY

DRC	Day Reporting Center
GCT	General County Tax
JDF	Juvenile Commitment Facilities
OID	Oakdale Irrigation District
SCAC	Stanislaus County Auditor-Controller's Office
SCCGJ	Stanislaus County Civil Grand Jury
SCPD	Stanislaus County Probation Department
SCSOCD	Stanislaus County Sheriff's Office Coroner's Division
SR911	Stanislaus Regional 911

BACKGROUND

The review demonstrates to affected parties and to the public that the Stanislaus County Civil Grand Jury reviews and acts on all responses. The SCCGJ acts on missing and/or inadequate responses to its findings and recommendations. This continuity procedure enables the current and subsequent juries to determine if further action is required by the provisions of the California Penal Code.

METHODOLOGY

The responses and comments submitted concerning reports issued by the 2016-2017 Civil Grand Jury were evaluated by the 2017-2018 Civil Grand Jury with reference to the California Penal Code §933.05(b), which requires agency head, county officer, or governing body to provide one of four possible responses to each recommendation.

1. Have implemented the recommendation
2. Will implement the recommendation
3. Further analysis needed
4. Will not implement the recommendation/Other

California Penal Code §933.05(h)(3) requires that respondents indicating “further analysis needed” must conclude each study within six months from the date of the publication of the Civil Grand Jury report.

The SCCGJ developed a chart to track responses from county officials, agencies, municipal, and other public entities. The following chart reflects each entity’s responses to the Findings and Recommendations of the 2016-2017 SCCGJ final report. Please note that the responses filed by the board of supervisors and the agencies are much more extensive than indicated in the following pages. All Civil Grand Jury reports and the responses can be viewed on the following website: www.stanct.org/final-report.

**City of Oakdale Residents Property Tax Bill
Case # 17-03C**

Reason for Investigation

The 2016-2017 Stanislaus County Civil Grand Jury (SCCGJ) received a complaint from an Oakdale city property owner regarding a portion of the non-itemized 1% General County Tax (GCT) listed on the Stanislaus County property tax bill. The complaint questioned the authority of the OID portion of the tax levied on City property owners and what property owners received in return for the assessed tax. The complaint further alleges the Stanislaus County Auditor-Controller's Office (SCAC) did not disclose information about the property tax paid by Oakdale city property owners eventually being distributed to the Oakdale Irrigation District (OID).

Agencies Asked to Respond

- ❖ Oakdale City Council
- ❖ OID Board of Directors

Agencies Invited to Respond

- ❖ Stanislaus County Auditor-Controller
- ❖ Oakdale General Manager
- ❖ Board of Supervisors
- ❖ City of Oakdale-City Manager

Findings				Recommendations				
	Agree w/ Finding	Agrees Partially	Disagrees Wholly		Implemented	Will Implement	Further Analysis Needed	Will Not Implement/Other*
Oakdale Office of the City Council								
F1. The SCCGJ found no information was readily available to the City of Oakdale taxpayers explaining where the assessed 1% tax went and what, if any, services OID provided.	X			R1. The SCCGJ recommends that the SCAC Office create a way to explain the 1% ad valorem tax that is on property owners tax bills or add an insert to the property tax bill explaining what this tax covers.		X		

Findings				Recommendations				
	Agree w/ Finding	Agrees Partially	Disagrees Wholly		Implemented	Will Implement	Further Analysis Needed	Will Not Implement/Other*
F2. Oakdale City residents pay over \$1 million annually in property taxes to the OID.	X			R2. The SCCGJ recommends the SCAC Office explore ways of providing a link on its website that is user friendly and explains the breakdown of the tax.		X		
F3. The 1% tax that the Oakdale city residents pay is based on the Tax Rate Assessment (TRA) based on Proposition 13 in 1978 and assessed value of their property.	X			R3. The SCCGJ recommends that OID commence dialog with the City of Oakdale residents regarding services provided by OID in regard to this 1% tax.	X			
F4. The OID and the City of Oakdale are aware of the possible disparities between property taxes paid and services provided to property owners. Both OID and the City of Oakdale are engaged in a dialog regarding this issue.	X			R4. The SCCGJ recommends that OID and the City of Oakdale continue to work collaboratively on their Cooperation Action Plan and their Mutual Aid Agreement.	X			
Oakdale Irrigation District, Board of Directors								
F1. The SCCGJ found no information was readily available to the City of Oakdale taxpayers explaining where the assessed 1% tax went and what, if any, services OID provided.	X			R1. The SCCGJ recommends that the SCAC Office create a way to explain the 1% ad valorem tax that is on property owners tax bills or add an insert to the property tax bill explaining what this tax covers.		X		
F2. Oakdale City residents pay over \$1 million annually in property taxes to the OID.	X			R2. The SCCGJ recommends the SCAC Office explore ways of providing a link on its website that is user friendly and explains the breakdown of the tax.		X		
F3. The 1% tax that the Oakdale city residents pay is based on the Tax Rate Assessment (TRA) based on Proposition 13 in 1978 and assessed value of their property.	X			R3. The SCCGJ recommends that OID commence dialog with the City of Oakdale residents regarding services provided by OID in regard to this 1% tax.		X		
F4. The OID and the City of Oakdale are aware of the possible disparities between property taxes paid and services provided to property owners. Both OID and the City of Oakdale are engaged in a dialog regarding this issue.		X		R4. The SCCGJ recommends that OID and the City of Oakdale continue to work collaboratively on their Cooperation Action Plan and their Mutual Aid Agreement.			X	

Findings				Recommendations				
	Agree w/ Finding	Agrees Partially	Disagrees Wholly		Implemented	Will Implement	Further Analysis Needed	Will Not Implement/Other*
Stanislaus County Auditor Controller								
F1. The SCCGJ found no information was readily available to the City of Oakdale taxpayers explaining where the assessed 1% tax went and what, if any, services OID provided.	X			R1. The SCCGJ recommends that the SCAC Office create a way to explain the 1% ad valorem tax that is on property owners tax bills or add an insert to the property tax bill explaining what this tax covers.				X
F2. Oakdale City residents pay over \$1 million annually in property taxes to the OID.	X			R2. The SCCGJ recommends the SCAC Office explore ways of providing a link on its website that is user friendly and explains the breakdown of the tax.				X
F3. The 1% tax that the Oakdale city residents pay is based on the Tax Rate Assessment (TRA) based on Proposition 13 in 1978 and assessed value of their property.	X			R3. The SCCGJ recommends that OID commence dialog with the City of Oakdale residents regarding services provided by OID in regard to this 1% tax.				X
F4. The OID and the City of Oakdale are aware of the possible disparities between property taxes paid and services provided to property owners. Both OID and the City of Oakdale are engaged in a dialog regarding this issue.		X		R4. The SCCGJ recommends that OID and the City of Oakdale continue to work collaboratively on their Cooperation Action Plan and their Mutual Aid Agreement.				X

Conclusion

The 2017-2018 SCCGJ is satisfied that all entities requested to respond to the findings and recommendations of the 2016-17 SCCGJ report did so satisfactorily within the time frame stipulated by the California Penal Code Section 953 (c).

**Stanislaus County Library
Case # 17-18GJ**

Reason for Investigation

The Stanislaus County Civil Grand jury believed that it would be beneficial to the public to review the Stanislaus County Library. A review of the library had not been done since the 1992-93 Grand Jury term, and tremendous changes have been implemented and challenges faced by the Stanislaus County Library in recent years.

Agencies Asked to Respond

- ❖ Stanislaus County Board of Supervisors

Agencies Invited to Respond

- ❖ None

Findings	Agree w/ Finding	Agrees Partially	Disagrees Wholly	Recommendations	Implemented	Will Implement	Further Analysis Needed	Will Not Implement/Other*
Stanislaus County Board of Supervisors								
F1. The Stanislaus County Library funding is dependent on a portion of the county sales tax revenue that must be voter-approved on a regular basis. Failure to receive voter approval would result in cuts of approximately 85% of library services for the residents of the county. The Stanislaus County Civil Grand Jury finds this budgetary uncertainty to be a limiting factor in the Library's strategic planning for future needs and operations of the library system.	X			R1. The Stanislaus County Civil Grand Jury recommends that a more stable source of funding be found for the Stanislaus County Library. A concerted effort needs to be undertaken to explore additional revenue streams to augment the Library's budget.		X		

Findings	Stanislaus County Board of Supervisors			Recommendations	Implemented	Will Implement	Further Analysis Needed	Will Not Implement/Other*
	Agree w/ Finding	Agrees Partially	Disagrees Wholly					
F2. The Stanislaus County Library does not provide discarded materials to other agencies, students, teachers, non-profit organizations or inmates in county correctional facilities.			X	R2. The Stanislaus County Civil Grand Jury recommends that the Stanislaus County Library Administration continue to pursue all appropriate avenues to provide discarded materials to public and non-profit agencies. The current disposal protocol of these materials appears to be a waste of resources that could be utilized elsewhere in the community.				X
F3. The Stanislaus County Civil Grand Jury finds that additional technology, especially computer workstations, wireless printers, and an extension of Wi-Fi capabilities are needed to keep up with the demands of the public.	X			R3. The Stanislaus County Civil Grand Jury recommends that the Stanislaus County Library continues to budget for additional up-to-date technology in order to meet the evolving needs of library patrons.		X		
F4. The Stanislaus County Civil Grand Jury finds a need for additional skilled volunteers to assist with more challenging library tasks.	X			R4. The Stanislaus County Civil Grand Jury recommends that the Stanislaus County Library continue to explore all means and methods to increase the number of skilled library volunteers to assist with the more complicated library tasks.		X		

Conclusion

The 2017-2018 SCCGJ is satisfied that all entities requested to respond to the findings and recommendations of the 2016-17 SCCGJ report did so satisfactorily within the time frame stipulated by the California Penal Code Section 953 (c).

**Oakdale Irrigation District Redistricting
Case # 17-19C**

Reason for Investigation

The 2016-2017 Stanislaus County Civil Grand Jury's (SCCGJ) decision to conduct an investigation into the Oakdale Irrigation District's (OID) failure to redistrict its Board of Directors' voting districts following the 2010 Federal Census was prompted by a complaint submitted to the Grand Jury by an Oakdale area resident and articles in The Modesto Bee.

The complainant alleges OID chose not to follow the requirements of the law to redistrict after the release of the Federal Census every 10 years. Furthermore, the complainant alleges that one or more of the five districts do not meet California Elections Code Division 21, Section 21500-21506 and Voting Rights Act requirements as it relates to equal populations in each of the five voting districts.

Agencies Asked to Respond

- ❖ OID Board of Directors
- ❖ OID General Manager

Agencies Invited to Respond

- ❖ None

Findings				Recommendations				
	Agree w/ Finding	Agrees Partially	Disagrees Wholly		Implemented	Will Implement	Further Analysis Needed	Will Not Implement/Other*
F1. OID-BOD's voting districts are not equal in population. Based on the 2010 Federal Census, the largest district has a population of approximately 8,358, and its smallest district has a population of approximately 4,305. The largest district is 30.3% larger than the calculated average of the OID districts and the smallest district is 32.5% smaller than the calculated average OID district.	X			R1. The OID-BOD should comply with the existing redistricting law, including California Election Code Sections 21500-21506 and 22000-22001, and redraw its voting districts boundaries no later than 180 days prior to the November 2017 election of the OID's Board of Directors.	X			

Findings				Recommendations				
	Agree w/ Finding	Agrees Partially	Disagrees Wholly		Implemented	Will Implement	Further Analysis Needed	Will Not Implement/Other*
F2. OID-BOD is required by Federal and State law to redistrict, as necessary, after each Federal Census.	X			R2. OID-BOD should immediately develop and implement a district policy to redistrict within the first six-month period after the release of each Federal Census, to ensure redistricting is done, as required by law when voting districts differ by more than 5%.	X			
F3. OID-BOD failed to take action after becoming aware that OID voting districts were out of compliance with Federal and State redistricting laws in 2011	X			R3. OID-BOD should determine if redistricting is needed after the release of every upcoming Federal Census population data in 2021, 2031, 2041, and subsequent years. OID-BOD should redistrict in a timely manner, as consistent with the law.	X			
F4. OID-BOD last redistricted in 1991, after the 1990 Federal Census release. Therefore, it has been over 25 years since OID has redrawn its voting districts.	X			R4. None				
F5. OID-BOD failed to reapportion its five voting districts, as needed and in a timely manner, after both the 2000 Census release and again after the 2010 Census release.	X			R5. None				
F6. OID currently has no formal policy on record to redistrict after each Federal Census data release.	X			R6. None				

Conclusion

The 2017-2018 SCCGJ is satisfied that all entities requested to respond to the findings and recommendations of the 2016-17 SCCGJ report did so satisfactorily within the time frame stipulated by the California Penal Code Section 953 (c).

**Stanislaus County Detention Facilities Inspections
Case # 17-20GJ**

Reason for Investigation

The 2016 – 2017 Stanislaus County Civil Grand Jury (SCCGJ) conducted its annual detention and other facility inspections as required by California Penal Code 919(b). These inspections included the jail facilities, the Stanislaus County Sheriff’s Office Coroner’s Division (SCSOCD), Stanislaus Regional 911 (SR911), Juvenile Commitment Facilities (JDF), and the Day Reporting Center (DRC). The Stanislaus County Sheriff’s Office Coroner’s Division, a state-of-the-art facility that determines individuals’ cause of death for the population of three counties: Mariposa, Stanislaus, and Tuolumne. The Stanislaus County Sheriff’s Department detention facilities are also state of the art. The SCCGJ participated in ride-along programs offered by Stanislaus County law enforcement agencies. SCCGJ commends the Sheriff’s Department, Modesto Police Department, and Turlock Police Department for their cooperation and assistance during the various inspections and tours.

The SCCGJ conducted physical inspections of each facility between September 9, 2016 and March 21, 2017.

Agencies Asked to Respond

- ❖ Stanislaus County Board of Supervisors

Agencies Invited to Respond

- ❖ Stanislaus County Sheriff – Coroner’s Division
- ❖ Stanislaus County Sheriff’s Department

Findings	Agree w/ Finding	Agrees Partially	Disagrees Wholly	Recommendations	Implemented	Will Implement	Further Analysis Needed	Will Not Implement/Other*
Stanislaus County Board of Supervisor Responses								
F1. The Stanislaus County Sheriff’s Department is extremely adept at managing and maintaining its detention facilities	X			R1. The Stanislaus Sheriff’s Department should develop a plan to better utilize the CJ.	X			

Findings				Recommendations				
	Agree w/ Finding	Agrees Partially	Disagrees Wholly		Implemented	Will Implement	Further Analysis Needed	Will Not Implement/Other*
F2. The CJ is approaching the end of its useful life and is using valuable correctional resources that could be better utilized at newer detention facilities.	X			R2. The SCCGJ recommends Stanislaus County Probation Department screen for hepatitis B and C during the intake process.			X	
F3. The Stanislaus County Sheriff's Department was proactive in securing AB900 state project funding.	X			R3. The Coroner's Office needs to acquire its own X-ray machine. Needless time and money is spent transporting autopsy cases to Doctors Medical Center for X-rays. The facility currently has room for this machine to be installed.	X			
F4. During booking procedures at Juvenile Hall, male and female inmates are screened for syphilis but not hepatitis B or C.		X		R4. The Stanislaus Regional 9-1-1 should consider developing a resource plan that would identify potential solutions in minimizing overtime, increase the retention of current workers, and reduce the loss of candidates during the hiring process.		X		
F5. Working from a state of the art facility, the Stanislaus County Sheriff's Office Coroner's Division facility provides much utilized services to assist in determining causes of death.	X							
F6. With the implementation of the new CAD system, the staff was provided adequate training and the system is now in full operation. Additionally, Stanislaus Regional 911 will now be responsible for receiving 911 cell phone calls.	X							
F7. The MPD, SCSD, and TPO are committed to protecting and serving the citizens of their respective cities.	X							

Findings				Recommendations				
	Agree w/ Finding	Agrees Partially	Disagrees Wholly		Implemented	Will Implement	Further Analysis Needed	Will Not Implement/Other*
F8. AMR operates a new program called Community Ambulance to assist SCSD officers when they are dealing with a person with possible mental health issues. The Community Ambulance program follows through with the subject, allowing officers to proceed with their duties.	X							

Conclusion

The 2017-2018 SCCGJ is satisfied the Stanislaus County Probation Department is taking appropriate actions regarding its responsibilities to screen and test for hepatitis B & C.

**Stanislaus County Probation Department
Case # 17-30C**

Reason for Investigation

The Stanislaus County Civil Grand Jury (SCCGJ) received a complaint alleging the Stanislaus County Probation Department (SCPD) acted in an illegal manner when conducting a property search, failed to follow SCPD procedures, and intimidates citizens from filing formal complaints. SCCGJ chose to investigate the complainant's allegation that the SCPD Citizen Complaint Form and Citizen Complaint Declaration language may prevent citizens from filing complaints. The SCCGJ agrees and recommends SCPD review their Citizen Complaint and Declaration Forms with the intent of removing any language that would discourage citizen input. There may also be an issue with the current form's language not meeting the requirement of a recent judicial opinion.

Agencies Asked to Respond

- ❖ Stanislaus County Chief Probation Officer

Agencies Invited to Respond

- ❖ Stanislaus County Board of Supervisors

Findings				Recommendations				
	Agree w/ Finding	Agrees Partially	Disagrees Wholly		Implemented	Will Implement	Further Analysis Needed	Will Not
F1. The Stanislaus County Probation Department's current Citizen Complaint and Citizen Declaration forms may discourage some citizens from filing a formal complaint due to the 148.6 CPC declaration.	X			R1. SCCGJ recommends that the SCPD review their Citizen Complaint and Declaration forms to foster filing of legitimate complaints and to come into compliance with the ruling of the 9th Circuit Court of Appeals ruling on Section 148.6 CPC.	X			

Conclusion

The 2017-2018 SCCGJ is satisfied that all entities requested to respond to the findings and recommendations of the 2016-17 SCCGJ report did so satisfactorily within the time frame stipulated by the California Penal Code Section 953 (c).

**2017-2018 Stanislaus County Civil Grand Jury
Burbank-Paradise Fire District Board of Directors
Dynasty or Democracy?
Case #18-06C**

SUMMARY

The Stanislaus County Civil Grand Jury (SCCGJ) initiated an investigation in response to a complaint of alleged mismanagement by the board of directors of the Burbank-Paradise Fire District (BPFDD). The allegations included violations of the Brown Act and poor financial decisions. The investigation was expanded to determine compliance with selected articles of state law and generally accepted governance practices.

The investigation disclosed a board of directors and an organization marked by careless review, monitoring, and supervision practices. The Burbank-Paradise Fire District Board of Directors (BPFDD-BOD) was unable to provide any policies or procedures to deal with potential conflict of interest. Based on the testimony of witnesses and SCCGJ observations of open public meetings, the BPFDD-BOD appears to make decisions that affect BPFDD board members' personal financial, family, or other individual interests. Typically, government agencies develop and implement policies and procedures to deal with potential conflict of interest in areas such as family relationships (nepotism), business relationships, gifts, and honoraria.

Board members lacked knowledge of parliamentary procedures and failed to produce evidence of required ethics training and financial disclosure forms. At the time of this investigation, information vital to board meeting agendas, public meeting minutes, and financial information was not on the BPFDD website. In addition, this required information was not addressed or available to citizens who physically attended a board meeting and/or requested it. The board meeting notices were difficult to find. The signage and direction to the BPFDD meeting room is poorly marked and the meeting times, dates, and location were not scheduled with regularity.

The BPFDD-BOD failed to provide many documents requested by the SCCGJ to complete its investigation. Refer to Methodology and Findings sections of this report for more detail.

GLOSSARY

BPFDD	Burbank-Paradise Fire District
BPFDD-BOD	Burbank-Paradise Fire District Board of Directors
LAFCO	Local Agency Formation Commission
SCCGJ	Stanislaus County Civil Grand Jury
SCSD	Stanislaus County Sheriff's Department

BACKGROUND

On July 13, 2017 the Modesto Bee reported that the chief of BPFDD was dismissed following a vote by the BPFDD-BOD with one recusal from the vote. The SCCGJ received a complaint on September 20, 2017 alleging Brown Act and financial violations by the BPFDD-BOD.

BPFDD, established in 1942, serves over 8,300 residents in a 2.6 square mile area and has an annual budget of \$320,000. The district has one fire station that was recently remodeled. The majority of its calls are for emergency medical services. BPFDD is served by twenty-six volunteer firefighters, two paid firefighters, and one part-time employee.

At the time of this investigation, BPFDD was served by five elected board members. Some board members have served as long as twenty years. A change in fire management took place in July 2017.

BPFDD-BOD is a political subdivision of the State of California; neither the County of Stanislaus nor the State of California has authority over special districts once they are formed. This independent district's voters elect a board of directors to conduct the people's business. The BPFDD-BOD is responsible for ensuring compliance with state laws and accepted governance practices.

METHODOLOGY

The SCCGJ interviewed the complainant regarding a potential violation of the Brown Act by the BPFDD-BOD.

Ten other interviews were conducted.

Several board meetings were attended.

Documentation was requested as follows:

- Budgets for the past five fiscal years.
- Annual internal and audited financial statements for the past five years.
- Credit card authority and policy for use.
- Check signing authority and policy.
- Board meeting agendas for the past three years.
- Board meeting minutes for the past three years.
- Original district bylaws governing operations since inception.
- Form 700 Statement of Economic Interests.

- Proof of Ethics Training.
- Financial documents for the past three fiscal years including:
 - Vendor invoices and all documents supporting payments made.
 - Attorney invoices.
 - Bank statements.
 - Correspondence.
- Recent construction documents:
 - Plans and specifications and contract with architect.
 - Documents requesting bids.
 - Responses to requests for bids.
 - Construction contract.
 - Building permit showing final approval by government authority.
- Documentation requested by certified mail.
- Phone calls, visits to BPFD to obtain documents.
- BPFD-BOD digital voice recording of meetings reviewed.
- Reviewed Stanislaus County Sheriff's Department (SCSD) police reports.

DISCUSSION

Board Meeting Code of Conduct

A meeting code of conduct does not exist in BPFD-BOD. Typically government agencies prescribe and enforce rules for their own governance. These rules must be consistent with state laws and regulations. A meeting code of conduct reduces the likelihood of conflict of interest situations where a BPFD-BOD member or one of his family members has a personal or financial interest that could compromise his independent judgment or responsibilities. BPFD-BOD is required to eliminate conflicts of interest, disclose ethical, legal, financial, and other conflicts. They must remove themselves from decision-making processes if they would otherwise be called on to act on a conflict involving themselves, their family members, or entities with which they or their family members are closely associated. A governing board is required to adopt a conflict of interest code in compliance with Government Code 87300-87313.

In July 2017, the BPF-D-BOD voted to terminate the existing fire chief. This action resulted in feelings of acrimony and bitterness between the terminated chief and some board members. Anticipating legal action, the BPF-D-BOD consequently hired an attorney. During the SCCGJ observation of BPF-D board meetings, the attorney's role expanded to providing instructions on how to conduct a meeting.

The BPF-D-BOD meetings attended by the SCCGJ were loud and argumentative. BPF-D-BOD interrupted each other and held frequent side conversations. In a closed session the SCCGJ members standing outside of the building could hear word-for-word yelling between board members.

Based on a review of Stanislaus County Sheriff's Department (SCSD) police reports of June 23, 2017 and September 8, 2017 and the testimony of witnesses, the SCSD was called to settle arguments between board members.

Conflict of Interest

A history of conflicts of interest appear to be a factor in the BPF-D-BOD's decision making processes. The SCCGJ investigation revealed that two board members are married to each other. A sitting board member, who was the spouse of the former chief, defended her husband's actions when another board member complained that the chief performed his duties poorly. On July 12, 2017, the BPF-D-BOD voted to terminate the existing chief. Since the existing chief was married to a board member at the time of his termination, this resulted in an atmosphere of acrimony and discord between board members. Witnesses testimonies revealed the existing chief's spouse, a member of the board on July 12, did not recuse herself from the closed session discussion regarding termination.

Another board member's significant other was on the board at an earlier time. A paid part-time clerk was married to a person who had been on the board at the time of the clerk's hiring.

Financial

Monthly financial reports were kept in an unlocked filing cabinet along with other audit reports. Receipts for supplies and equipment repairs were kept in the accounts payable folder in the same unlocked filing cabinet, leaving this information available to anyone. Credit cards were kept in an unlocked desk making them available for anyone to use.

Credit cards were also used by the strike team while they were outside of the district and assigned to fight wildfires. A strike team is a crew of highly trained firefighters fully equipped and trained to respond to wildfires anywhere in the state. Under mutual aid agreements with Cal Fire, BPF-D provides strike teams as needed and is then reimbursed for the team's costs by the California Office of Emergency Services. As a practice, some of the CalOES reimbursement for the strike team has been taken by the chief for administrative duties, even though the chief did not accompany the strike team on its firefighting mission.

The district spent \$600,000 remodeling the fire station. BPF-D negotiated a loan to pay for the remodeling. BPF-D received only one bid for this project. The following is a quote from

California Fire and Rescue Training Authority policy handbook section 3080.5 Informal Bidding Procedures:

“Whenever this policy requires use of informal bidding procedures, the Manager shall obtain, if available, a minimum of three written or verbal quotations or proposals relative to the personal property or services to be acquired for the construction project. The Manager shall award the contract to the vendor or contractor whose quotation or proposal, in the Manager’s discretion, most adequately meets the needs of the Authority at the lowest price.”

Changes to the proposed work were approved by one or two individuals without board approval or without proper documentation. The loan required an audit of BPFD on an annual basis. An audit was not completed on the loan by the bank due to lack of available documentation.

A surplus fire truck was sold for \$1,900 with no documentation indicating its valuation or appraisal prior to its sale. According to witnesses, the fire truck was delivered to the purchaser, and payment was made in cash. The cash was placed in an envelope and put in the chief’s desk. No record is available authorizing the sale or verifying the disposition of the funds received.

Minutes

Because the minutes were not available, many comments and allegations were unsubstantiated by documentation. This created a “he said, she said” environment where voices were raised, and confrontations were common. Acrimony was exacerbated when one board member threatened legal action against the board regarding termination of the previous chief.

Anticipating legal action, the board hired an attorney to help protect the district from a possible wrongful termination lawsuit. The attorney’s job expanded to give guidance on conducting BPFD-BOD meetings. The attorney fees were originally budgeted at \$16,000. This expense has grown to nearly twice the amount budgeted to over \$30,000.

Minutes were often handwritten notes by a board member on a copy of the meeting agenda. These documents were considered personal copies of the board member. Several board members claimed to have recorded the actual minutes and believed their record as personal and private information. For the last year, due to disputes between board members regarding the content of the minutes that exist, a digital voice recorder was used at board meetings. The clerk started transcribing the recordings verbatim. Some records of minutes were maintained on a home computer. Closed session minutes were sometimes combined with regular open meeting minutes. The district board’s meeting minutes failed to meet the minimum requirement for conducting public business.

Documentation

On September 29, 2017, the SCCGJ requested documents by certified mail. With the exception of receiving an abusive telephone call from a BPFD-BOD member to the SCCGJ, BPFD-BOD did not respond to SCCGJ's initial request for information. A second SCCGJ request for information was sent by certified mail on October 19, 2017.

BPFD-BOD failed to provide the SCCGJ requested information in a timely fashion. Consequently, it became necessary for members of the SCCGJ to visit the fire station to collect the requested documents. During its search for the requested documents, SCCGJ found that incoming mail to the fire station was placed in an unsecured open box. The SCCGJ also learned that mail is sometimes delivered to board members at their home. Firefighters, who stay in a house next to the fire station, do not check the mail or distribute the mail daily. Apparently no individual has the responsibility to collect and distribute mail.

When the requested documents were obtained by the SCCGJ at the BPFD office, certified mail sent to BPFD from other businesses and organizations was found to be unopened and outdated.

The SCCGJ learned the BPFD part-time paid clerk had no job description, specific hours, or workplace. The SCCGJ also discovered the chief has no job description, which should include a list of responsibilities and duties.

Witnesses stated that firefighters were concerned about their grievances of harassment by management that could result in retaliation or being blacklisted in their profession. The SCCGJ could not find any policies or procedures pertaining to harassment and how they could address their grievances.

FINDINGS

- F1. The BPFD-BOD is dysfunctional. Board members lack training, leadership skills, and the ability to communicate effectively.
- F2. The lack of written conflict of interest policies and procedures is a frequent issue.
- F3. Legal fees have depleted the funds available for the district's core mission.
- F4. No records exist accounting for the cash funds received from the sale of the BPFD fire truck.
- F5. State funds reimbursing the district for administrative costs for strike teams were improperly paid to an employee.
- F6. Credit cards were left unsecured with no written policy for their use.
- F7. BPFD-BOD failed to provide financial statements and audit reports.
- F8. BPFD-BOD failed to provide Form 700 Statement of Economic Interests and evidence of ethics training as required by California law.
- F9. BPFD-BOD failed to provide board agendas and minutes as required by the Brown Act.
- F10. Agendas for special meetings were not posted as required by the Brown Act.

- F11. BPFDD-BOD has no written policies, procedures, or bylaws.
- F12. Employees have no job descriptions and therefore have little understanding of what their job responsibilities truly are.
- F13. BPFDD has no grievance procedure for protection against any form of abuse.

RECOMMENDATIONS

- R1. LAFDD should consider dissolving BPFDD or consolidating it with another district by June 30, 2019.
- R2. BPFDD-BOD must conduct public meetings in a professional manner led by the board chair in congruence with the district's adopted written policies, customary parliamentary procedures, and the Brown Act by August 1, 2018.
- R3. Develop procedures and rules for BPFDD-BOD on conducting public meetings by participating in state-approved courses on the Leadership of Special Districts Foundation in California by December 1, 2018.
- R.4 Develop and implement a conflict of interest policy and procedures to establish expectations of balancing the personal and business interests of BPFDD.
- R5. Retain Financial Disclosure Forms (Form 700) for a minimum of five years to be held at the BPFDD office and at the Stanislaus County Election Office by September 1, 2018.
- R6. Maintain Ethics training certificates for a minimum of three years to be held at BPFDD office by August 1, 2018.
- R7. Establish bylaws requiring new and returning BPFDD-BOD to complete biannual training in the Brown Act, Public Records Act (Government Code 1090-1098), and the Political Reform Act (Government Code 87100-87505) by December 1, 2018.
- R8. The BPFDD website should focus on governance information and financial transparency no later than August 1, 2018 by posting:
- Regular meeting agendas 72 hours prior to the meeting.
 - Special meeting agendas 24 hours prior to the meeting.
 - Emergency meeting agendas one hour prior to the meeting.
 - Board minutes.
 - Monthly budget reports.
 - Financial transaction reports.
 - Annual audit information.

- R9. Use the BPFDD website to provide information about the district to encourage public attendance and participation by September 1, 2018.
- R10. Encourage public attendance and involvement by clearly posting BPFDD-BOD meeting dates, times, agendas, at locations visible to the public by August 1, 2018.
- R11. BPFDD-BOD needs to develop job descriptions and responsibilities for all employees and volunteers by December 1, 2018.
- R12. Develop a grievance procedure free from the fear of retaliation by January 1, 2019.
- R13. BPFDD-BOD is directed to support the current fire chief and assistant chief by encouraging them to connect with the Stanislaus County Fire Warden's Office to assist this leadership staff with strategic planning, training, and other support services to effectively manage the district by August 1, 2018.
- R14. Ensure LAFDD website shows the correct monthly board meeting time and location and update when necessary by September 1, 2018.

REQUEST FOR RESPONSES

Pursuant to Penal Code section 933.05, the Stanislaus County Civil Grand Jury requests responses as follows:

Burbank-Paradise Fire District Board of Directors – Recommendations R2-R13 within 90 days.

INVITED RESPONSES

BPFDD Fire Chief

LAFDD

Stanislaus County Board of Supervisor

BIBLIOGRAPHY

CALIFORNIA STATE LAW

GOVERNMENT CODE

- Title 1. General [100-7914]
 - Division 1. Cost Records to be Kept [4000-4007]
 - Division 4. Public Officers and Employees [1000-3599]
 - Chapter 1. General [1000-1241]
 - Article 4. Prohibitions Applicable to Specified Officers [1090-1099]
 - Division 7. Miscellaneous [6000-7599.2]
 - Chapter 3.5 Inspection of Public Records [6250-6276.48]

Article 1. General Provision [6250-6270.5]
Title 3. Government of Counties [23000-33205]
 Division 2. Officers [24000-28085]
 Part 3. Other Officers [26500-27773]
 Chapter 4. Auditor [26900-26914]
 Article 1. Duties Generally [26900-26914]
Title 5. Local Agencies [50001-57550]
 Article 2.4 Ethics Training [53234-53235.2]
 Division 2. Cities, Counties and other Agencies [53000-55821]
 Part 1. Power and Duties [53000-54999.7]
 Chapter 9 Meetings Ralph M. Brown Act [54950-54963]
 Title 9. Political Reform [81000-91014]
 Chapter 7. Conflicts of Interest [87100-87505]
 Article 2. Disclosure [87200-87210]

HEALTH & SAFETY CODE

Division 12. Fire and Fire Protection [13000-14960]
 Part 2.7. Fire Protection District Law of 1987 [13800-13970]
 Chapter 7. Finance [13890-13906]

PUBLIC CONTRACT CODE

Division 2. General Provisions [1100-22355]
 Part 3. Contracting by Local Agencies [20100-20928]
 Chapter 1. Local Agency Public Construction Act [20100-20929]
 Article 53. Fire Protection Districts [20810-20813]

APPENDIX

SPECIAL AND FIRE DISTRICT ASSOCIATIONS

Institute for Local Government Good Governance Checklist	http://www.ca-ilg.org/
California Special District Association	http://www.csda.net/special-districts/
Fire District Association of California	http://www.csda.net/special-districts/
Special District Leadership Foundation	https://www.sdlf.org/

DISCLAIMER

This report of case number 18-06C of the Burbank-Paradise Fire District is issued by the 2017-2018 Stanislaus County Civil Grand Jury with the following exception: one member of the grand jury volunteered to recuse himself due to a perceived conflict of interest. This grand juror was excluded from all phases of the investigation, including interviews, deliberations, voting, and in writing and approval of this report. None of the information included in this report was obtained from the excluded grand juror as a means of mitigating a potential bias to the integrity of this report.

**2017-2018 Stanislaus County Civil Grand Jury
Independent Special Fire Districts
Relics of the Past or Resources for the Future?
Case #18-15GJ**

SUMMARY

Special districts are an important part of local government. Stanislaus County independent special fire districts administer \$26 million a year of tax payer money with little scrutiny from the citizens. Fire districts as a class have never been reviewed by the Stanislaus County Civil Grand Jury. This year all fourteen special fire districts were evaluated to assess the transparency and accountability of governance.

District accountability is confusing because the majority of boards are appointed by the Stanislaus County Board of Supervisors (SCBOS), not elected by the voters. Most boards do reasonably well in managing operations, but many board members are not adequately trained for effective governance. Few districts are in full compliance with state laws requiring transparency, accountability, and ethics training. Board meetings are often difficult to locate and are not welcoming to citizens. Websites lack required financial reports and contain inaccurate information. Public participation is absent at most meetings. Many board meetings lack the structure and formality expected when conducting the people’s business.

GLOSSARY

- LAFCO** Local Agency Formation Commission
- SCBOS** Stanislaus County Board of Supervisors
- SCCGJ** Stanislaus County Civil Grand Jury
- SCFD** Stanislaus Consolidated Fire District

BACKGROUND

California law established special districts as independent state agencies to provide infrastructure or services of importance to the voters within specific limited boundaries. The districts are governed by boards that are accountable to the voters within the district boundaries. Stanislaus County is home to forty-two independent special districts including fourteen fire districts. California has over 2000 special districts. Turlock Irrigation District was the first to be formed after passage of the Wright Act in 1887. Independent special districts are created by the legislature. The SCBOS appoints the majority of board members. However, other districts elect their board members.

The Little Hoover Commission was formed by the California State Legislature in 1962 “...to secure assistance for the Governor and itself in promoting economy, efficiency and improved service in the transaction of the public business in the various departments, agencies and

instrumentalities of the executive branch of the state government, and in making the operation of all state departments, agencies and instrumentalities, and all expenditures of public funds, more directly responsive to the wishes of the people as expressed by their elected representatives...”

In 2000, The Little Hoover Commission did a study of special districts in California titled *Special Districts: Relics of the Past or Resources for the Future?* The commission found “an expansive government sector, largely invisible, serving constituents who know little about them or how the money they provide is used”. In 2017, the Commission revisited special districts and issued a report in August titled *Special Districts: Improving Oversight and Transparency*. While many special districts had developed websites in the interim, many of the websites were of poor quality. Otherwise, the same issues that plagued districts in 2000 remained in 2017. For our purposes, the two areas of concern were:

- Oversight of special districts, specifically, opportunities to bolster the effectiveness of Local Agency Formation Commissions (LAFCOs).
- The continued need for districts to improve transparency and public engagement.

In 1963, the state legislature created fifty-eight LAFCOs with the authority to oversee local boundary decisions and to initiate special district consolidations or dissolutions. In 2000, LAFCOs were given authority to conduct Municipal Service Reviews to guide districts in performance improvement. To date, thirty of California’s fifty-eight counties have special district representatives on their LAFCOs. Each LAFCO is funded through its member organizations which in Stanislaus County include representatives from city and county government. The county’s independent special districts do not have representation in LAFCO.

METHODOLOGY

Board meetings were attended, and interviews conducted. The following documentation was requested from each fire district:

- Budgets for the past five fiscal years.
- Annual internal and audited financial statements for the past five years.
- Credit card authority and policy for use.
- Check signing authority and policy.
- Organizational chart.
- Name and responsibility of each board member.
- Board meeting agendas for the past three years.
- Board meeting minutes for the past three years.
- Original district bylaws governing operations since inception.
- Form 700 Statement of Economic Interests.
- Proof of Public Service Ethics Education.
- Policy on nepotism.

DISCUSSION

Board Meetings

All the districts posted the minimum required 72-hour notice for board meetings on letter-sized paper in front of the fire station. This inconspicuous notice doesn't effectively inform the voters or advertise the meeting. This may satisfy the minimum requirement of the open meeting laws but falls short of the spirit.

Some districts, such as Oakdale Rural, send agendas, board packets, and minutes by email to interested citizens. This takes little effort to set up and is a great way to reach the voters.

Some board meetings were conducted in facilities with multiple entrances. No signage directed attendees toward the meeting location. One meeting required following some strangers down a dark alley and through an unmarked door at the rear of the fire station. These are among the barriers to voter involvement.

Meeting information on some districts' websites was inconsistent with information available from LAFCO and the county. Meeting dates, times, and locations were often misleading. In one instance the meeting time was listed as 6:30 P.M. on LAFCO and county websites, 4:30 P.M. on the district website when the actual meeting time was 5:30 P.M.

Some meetings were conducted so informally that they were more like a group of friends meeting around the kitchen table than a board conducting the people's business. Citizen attendance at board meetings was rare. The SCCGJ was often the only "outsider" present at board meetings. Board members and staff were often anonymous as names were not displayed and no roll call was taken. Discussions were often muted and difficult to hear. Acronyms known only to the board were used with no attempt to explain to the audience. These meetings were impressive in their attention to the districts operational and financial issues but lacked the structure and transparency expected of a governmental agency.

Of the meetings attended, Denair and Stanislaus Consolidated fire districts were an exception. The structure and formality of the meetings were excellent.

Selection and Accountability of Board Members

Board selection follows two paths. One is voter election. If no citizens seek the post, then the SCBOS appoints an individual to the board. Conversely other boards are defined as "appointed boards" and consist solely of appointees. The majority of fire district boards are appointed by the SCBOS. A lack of citizen awareness and interest appears to be the underlying cause behind many of the elected board vacancies.

For example, the boards for Stanislaus Consolidated, Oakdale Rural, Turlock Rural, and the Industrial fire districts are appointed by the county and various cities. These boards, like all other independent special districts, are accountable to the voters in their district. Confusion and difficulty occur since board members are appointed rather than elected. However, voters cannot install or remove these board members without the involvement of the appointing entity.

On October 10, 2017 a fire district contacted a county supervisor expressing concern about the SCCGJ document request (see methodology section). The concern was sent to county counsel who forwarded it to the SCCGJ. This indicates the district mistakenly believed it reported to the SCBOS. As another example, on March 9, 2007 a notice on the county website stated, “Industrial Fire Protection District ...is no longer under County oversight”. Both instances reinforce the misconception that special districts are accountable to the county.

Governance Documentation

The responses to the document request (see methodology) are shown in the graph below. Some of the districts created the documents after receiving the request. Others claimed they didn’t need the requested policy or organizational structure.

Organization charts, board responsibilities, and policy manuals provide documents necessary for structure, ethics compliance, and continuity. Set policies on file allow for standardization. Controlling purchases and disbursements is the foundation of being a good steward of the people’s money. Insuring a procedure for credit card use and check signing is basic. Nepotism can easily occur in a casual environment. These policies should be in place before they are needed.

EFFECTIVE GOVERNANCE

FIRE DISTRICT	ORGANIZATION CHART	BOARD MEMBER LIST AND RESPONSIBILITY	CREDIT CARD USE POLICY	CHECK SIGNING POLICY	DISTRICT BYLAWS OR POLICIES	NEPOTISM POLICY
Burbank-Paradise	None	None	None	None	None	None
Ceres	On file	On file	On file	On file	On file	None
Denair	On file	On file	On file	On file	On file	None
Hughson	On file	On file	None	On file	None	None
Industrial	On file	On file	On file	On file	On file	On file
Keyes	On file	On file	On file	On file	On file	On file
Mountain View	On file	On file	None	None	On file	None
Oakdale Rural	None	On file	None	On file	On file	None
Salida	On file	On file	On file	On file	On file	On file
Stanislaus	On file	On file	On file	On file	On file	On file
Turlock Rural	On file	On file	On file	On file	On file	None
Westport	On file	On file	None	On file	On file	None
West Stanislaus	On file	On file	On file	On file	None	None
Woodland Ave	None	On file	None	None	On file	None

Compliance with California Law

The SCCGJ initiated a request for common documents that should be readily available to evaluate compliance with the Public Records Act and the four California codes shown on the chart below. The documents were requested on October 2, 2017 with a due date of October 27, 2017. A fire district stated they could not comply by the due date because strike teams were fighting fires in Napa County causing a manpower shortage. The SCCGJ extended the due date one month. However, if documents were on file as required, staff or board members could have responded to the request because they were not on the strike team.

Denair Fire District responded first on October 30, 2017. Keyes responded last on January 18, 2018. The remaining districts responded within a few days of the extended due date.

The responses show that some districts are not complying with conflict of interest reporting required by the Political Reform Act or Ethics Training required by Title 5 of the California Government Code (see bibliography). Obeying these laws is a fundamental part of effective governance. The failure to follow them is unacceptable.

COMPLIANCE WITH CALIFORNIA LAW

FIRE DISTRICT	CALIFORNIA GOVERNMENT CODE			HEALTH & SAFETY CODE
	BROWN ACT	POLITICAL REFORM ACT	ETHICS TRAINING	FINANCIAL REPORTING
Burbank-Paradise	None	None	None	None
Ceres	Provided	Provided	Provided	Provided
Denair	Provided	Provided	Incomplete	Provided
Hughson	Provided	Provided	None	Provided
Industrial	Provided	Provided	Incomplete	Provided
Keyes	Provided	Provided	Incomplete	Provided
Mountain View	Provided	None	None	Provided
Oakdale Rural	Provided	Provided	Provided	Provided
Salida	Provided	Provided	Provided	Provided
Stanislaus	Provided	Provided	Incomplete	Provided
Turlock Rural	Provided	Provided	Provided	Provided
Westport	Provided	Provided	Incomplete	Provided
West Stanislaus	Provided	Provided	Incomplete	Provided
Woodland Ave	Provided	Provided	None	Provided

District Websites

District websites were reviewed at the beginning of the investigation to determine if required financial and governance information was posted. The following graph shows the results. Nine districts maintain websites. At the time of our review, none were current. Some content has been added since our initial review.

The website emphasis appears to be informing about the mission and community activities. They lack attention to financial and governance transparency. They are not used to encourage voter involvement or attendance at board meetings. Calendar modules are not updated. Board meeting locations and times are often inaccurate.

Current law mandates any special district with a website must post these requirements:

- Agendas must be posted 72 hours before a meeting occurs.
- Annual compensation reports, or a link to the State Controller’s website that contains the report, must be posted.
- Financial transaction reports, or a link to the State Controller’s website that contains the report, must be posted.

DOCUMENTS AVAILABLE ON WEBSITES

FIRE DISTRICT		FINANCIAL			BOARD MEETINGS		
NAME	MAINTAINS A WEBSITE	AUDIT	REPORT	BUDGET	SCHED	AGENDA	MINUTES
Burbank-Paradise	Yes	No	No	No	No	8/22/17	No
Ceres	No website						
Denair	Yes	No	No	No	No	No	No
Hughson	Yes	No	No	No	No	8/9/17	No
Industrial	No website						
Keys	Yes	No	No	No	No	No	No
Mountain View	Yes	No	No	No	Yes	No	No
Oakdale Rural	No website						
Salida	Yes	6/30/15	No	No	No	8/21/17	No
Stanislaus	Yes	6/30/15	No	2017	Yes	8/10/17	No
Turlock Rural	No website						
Westport	No website						
West Stanislaus	Yes	No	No	No	Yes	8/14/17	No
Woodland Ave	Yes	No	No	No	No	8/10/17	No

Citizen Involvement

Citizen involvement was observed at two of the nine board meetings attended. The boards allowed time for public comment and were courteous and respectful of citizens. Board meetings with citizen involvement were conducted in an organized parliamentary manner.

The seven board meetings where no citizen involvement was observed were conducted in a casual and unstructured manner. This may discourage a citizen from attending a future meeting.

Board Member Training

The investigation disclosed no organized governance training for board members. The Director's Policy Manual for SCFD mentioned "Board development and excellence of performance". However, no specific curriculum was mentioned.

To function effectively Stanislaus County needs hundreds of volunteers to provide governance over special districts. Interest in public service may be enhanced by a well-trained board conducting the people's business with professional structure and formality. Training would increase the effectiveness of appointed and elected boards as well as encourage involvement in the democratic process and in preparing future civic leaders.

The current environment requires each board to recognize the need for training and then to seek and undertake a self-directed training program. A list of training resources is available in the appendix.

FINDINGS

- F1. Few districts are in full compliance with state laws in transparency, accountability, and governance.
- F2. Many board members are not adequately prepared to assume office. Stanislaus County lacks a standardized governance training program.
- F3. Most district board members are appointed by the SCBOS.
- F4. The SCCGJ observed that some fire districts perceive that they are accountable to the SCBOS. Conversely the SCBOS has no responsibility beyond appointment of board members.
- F5. Citizen participation is lacking at board meetings.
- F6. Most board meetings are not welcoming to citizens.
- F7. Many of the district websites lack required information about governance and finances.
- F8. No apparent effort exists to increase citizen participation and involvement.

- F9. The fire districts spend \$26 million yearly with little public scrutiny.
- F10. While the SCCGJ focused its investigation on independent special fire districts, our findings and recommendations should be of interest to all special districts in Stanislaus County.

RECOMMENDATIONS

- R1. All Stanislaus County fire districts boards should adhere to California law. All districts should have a written manual of generally accepted governance policies and procedures. The manual should include policies for nepotism, credit card control, and check signing. The manual should be completed by December 31, 2018 (see appendix).
- R2. All fire districts should establish a training requirement for board members in addition to that required by law. The curriculum is to be established no later than December 31, 2018 and shall include at least good governance, parliamentary procedure, Brown Act, nepotism, and conflict of interest (see appendix).
- R3. Certificates of ethics training and Financial Disclosure Form 700 must be on file in each fire district office for five years and at the Stanislaus County Elections Office.
- R4. Fire districts are to ensure that meeting times and locations are posted consistently and accurately on district websites and with LAFCO.
- R5. The fire districts and the community at large would benefit if the SCBOS would exert oversight of governance training.
- R6. The SCBOS should advise the forty-two special districts in Stanislaus County to obtain a copy of this report from the SCCGJ website for informational purposes.
- R7. All fire district boards must comply immediately with the requirements for meeting notices, posting of meeting agendas, publishing of minutes, and financial statements as required by California law.
- R8. Websites should be effectively maintained to abide by California law. The priority of websites should be to provide information and transparency about governance and finances. Current and prior agendas, minutes, financial statements, and audits should be posted (see appendix).
- R9. Board meeting locations and times should be boldly identified. Signage visible from the street should announce meeting dates and times. Signage should be in place to direct citizens to the meeting room. Meeting rooms should be well-lighted, provide adequate seating, and free of exhaust fumes.
- R10. Board meeting structure should routinely reflect the basic elements of accepted rules of order while conducting the people's business. They should start on time with a gavel or

announcement. Board members and officers should be identified by roll call. Names of board members should be visible. Topics and guest speakers should be clearly identified, and sidebars eliminated.

- R11. The districts should utilize local print media to seek candidates for the boards of directors. For example, the Modesto Bee's "Lend a Hand" section announces volunteer opportunities.

REQUEST FOR RESPONSES

Burbank-Paradise Fire Protection District
Ceres Fire Protection District
Denair Fire Protection District
Hughson Fire Protection District
Industrial Fire Protection District
Keyes Fire Protection District
Mountain View Fire Protection District
Oakdale Rural Fire Protection District
Salida Fire Protection District
Stanislaus Consolidated Fire Protection District
Turlock Rural Fire Protection District
Westport Fire Protection District
West Stanislaus Fire Protection District
Woodland Avenue Fire Protection District

INVITED RESPONSES

Local Agency Formation Commission
Stanislaus County Board of Supervisors

BIBLIOGRAPHY

CALIFORNIA STATE LAW

GOVERNMENT CODE

Title 1. General
 Division 4. Public Officers and Employees
 Chapter 1. General
 Article 4. Prohibitions Applicable to Specified Officers
 Chapter 4. Vacancies
 Division 5. Public Work and Public Purchases
 Chapter 1. Cost Records to be Kept
 Division 7. Miscellaneous
 Chapter 3.5 Inspection of Public Records
 Article 1. General Provision
Title 3. Government of Counties

Division 2. Officers
Part 3. Other Officers
Chapter 4. Auditor
Article 1. Duties Generally
Title 5. Local Agencies
Division 2. Cities, Counties and other Agencies
Part 1. Power and Duties
Chapter 2 Officers and Employees
Article 2.4 Ethics Training
Chapter 9 Meetings Ralph M. Brown Act
Title 9. Political Reform
Chapter 7. Conflicts of Interest
Article 2. Disclosure

HEALTH & SAFETY CODE

Division 12. Fire and Fire Protection
Part 2.7. Fire Protection District Law of 1987
Chapter 1. General Provisions
Chapter 3. Selection of Initial Board of Directors
Chapter 4. Existing Boards of Directors
Chapter 7. Finance

PUBLIC CONTRACT CODE

Division 2. General Provisions
Part 3. Contracting by Local Agencies
Chapter 1. Local Agency Public Construction Act
Article 53. Fire Protection Districts

APPENDIX

Institute for Local Government- Good Governance Checklist <http://www.ca-ilg.org/>
California Special District Association <http://www.csda.net/special-districts/>
Fire District Association of California <http://www.csda.net/special-districts/>
Special District Leadership Foundation <https://www.sdlf.org/>

FORM 700 STATEMENT OF ECONOMIC INTERESTS ONLINE

<http://www.fppc.ca.gov/Form700.html>

ETHICS TRAINING ONLINE

<http://locaethics.fppc.ca.gov/options.aspx>

DISCLAIMER

This report of case #18-15GJ regarding the Stanislaus County independent fire districts is issued by the 2017-2018 Stanislaus County Civil Grand Jury with the following exception: one grand juror recused voluntarily due to a perceived conflict of interest. This grand juror was excluded from all phases of the investigation, including interviews, deliberations, voting, and in writing and approval of this report. None of the information included in this report was obtained from the excluded grand juror as a means of mitigating a potential bias to the integrity of this report.

Coroner's Facility Tour – October 24, 2017

A tour of the Stanislaus County Coroner's Facility was completed by members of the 2017 - 2018 SCCGJ. As mandated by state law, the coroner's division investigates certain deaths. The purpose of the tour was to give SCCGJ a thorough overview of the facility and its operations.

Jury member comments were as follows:

- Facility was well-maintained with emphasis on keeping it clean from contamination.
- The rooms for storage of the deceased were clean, organized, and climate controlled.
- Rooms used for performing autopsies were highly organized and clean.
- The staff leading the tour showed deep respect for the deceased and surviving family members.

The overall consensus of SCCGJ members on the tour was that the Coroner's Facility - Stanislaus County Sheriff's Department (SCSD) is professionally staffed and well-maintained.

Modesto Police Department Tour – November 28, 2017

Stanislaus County Civil Grand Jury (SCCGJ) members toured the Modesto Police Department (MPD) on November 28, 2017. Police Chief Galen Carroll and Lieutenants R. DeAlba and S. Stanfield provided information on the Operations Division of the MPD. The Operations Division is the largest of the three divisions within the MPD. This division provides the core police services, utilizing technology and community engagement. The Operations Division is divided into four Area Commands. Officers and sergeants are assigned to each area. Lt. DeAlba oversees the Northwest and Central Areas, and Lt. Stanfield is assigned to the Northeast and South Areas.

The real-time crime center was included in the tour. All on-duty officers can be located on a large electronic map of the city. Additionally, another large electronic display depicts all officer assignments, locations, and crimes being investigated. Each call is prioritized and recorded. As part of the tour, SCCGJ members viewed the room for recharging and storing the body cameras. Lt. Stanfield stated most officers would not go on patrol without a camera. At the end of the tour SCCGJ members were shown the Homeless Engagement and Response Team (HEART) van used by a combined team from MPD and Modesto Fire Department. This is a joint effort to help the homeless in the city. A demonstration of the MPD drone ended the tour.

Stanislaus County Juvenile Hall Tour – January 9, 2018

The SCCGJ toured the entire Stanislaus County Juvenile Hall (SCJH).

Juvenile Hall for Stanislaus County is a maximum security detention complex for individuals who have committed offences prior to their eighteenth birthday. While detained SCJH provides each individual a comprehensive program that includes education, counseling, recreation, health, and religious activities.

Grand jury member comments of the tour follow:

- The classrooms at the facility during the tour were occupied with detainees doing school work under the guidance of an instructor. Such study allows the participants to continue their education.
- The kitchen area was clean and organized. Detainees who work in the kitchen learn skills on how to prepare meals as well as desserts. The skills they develop can be transferred to the outside workforce.
- The medical center staff explained how detainees are given public hygiene education and made aware of public health dangers.
- The gymnasium area was very clean, and the staff explained that detainees earn their sports privileges based on their behavior.
- The tour included review of the workshop area where detainees learn how to use basic construction tools.
- An area outside of the building facilities was observed where detainees were developing planting beds to grow vegetables and herbs for use in the kitchen.
- The facility has a library stocked with books that allow detainees the opportunity to expand their knowledge.

At the time of the grand jury tour, the facility housed sixty-one individuals which is well below the maximum population. While the grand jury was on the tour, staff was engaged with the juveniles and professional while performing their duties.

Stanislaus Regional 9-1-1 Dispatch Center – December 12, 2017

On December 12, 2017 members of the SCCGJ toured the Stanislaus Regional 9-1-1 Dispatch Center. The Dispatch Center handled over 600,000 9-1-1 emergency and non-emergency calls in fiscal year 2016 - 2017. The largest number of responses (186,202) was for the MPD followed by (130,613) for the SCSD and contract cities.

Fifty-six employees of the Dispatch Center handle calls for fourteen fire districts, Stanislaus County Probation Department, and the contract cities of Hughson, Patterson, Riverbank, and Waterford. Dispatchers are highly trained and have the ability to determine the priority of service calls, monitor the location of all emergency service providers, and monitor the status of emergency situations in real-time. They also have the ability and authority to direct those services as needed.

Stanislaus County Public Safety Center – October 10, 2017

The SCCGJ met with the Hackett Road Jail Commander and several of his staff to tour the sheriff's jail facilities located on Hackett Rd. These buildings consist of three main structures: Public Safety Center (PSC), Minimum Housing Unit (MHU) consisting of Units 1 and 2, Maximum Security Unit, and the Intake, Release, Transportation (IRT) facility. Male and female arrestees are booked at the IRT and housed in the PSC. Almost one-half mile of hallway connects these facilities.

The PSC and MHU are the oldest of these facilities yet were built with the more current contemporary jail construction and custodial management philosophy. During this tour SCCGJ observed both male and female inmates in their cells, walking freely within their pods and exercise yards. Other pods were under normal lockdown. These facilities have a maximum capacity of 534 beds and were clean and well-managed.

SCCGJ also toured the newly completed 552-bed expansion of the PSC. This facility consists of 480 maximum security beds and a 72-bed medical and mental health extension. The safety cells are constructed with padded floor and walls to protect psychotic inmates or those who may cause injury to themselves. Jail Commander stated that more inmates will be housed at this facility as more deputies and medical staff are hired. The SCSD is expecting full occupancy in 2019.

These jail facilities were funded with California State AB900 grants of which California paid 90% and Stanislaus County paid 10%.

Stanislaus County Men's Jail – October 23, 2017

The SCCGJ visited the Men's Jail (CJ) located at 12th and H St. in downtown Modesto. SCCGJ met with the sheriff's CJ commander and a small staff. This is the department's oldest jail, a three-story structure built in 1954. Due to a large expansion on Hackett Road adding more than a thousand beds, the sheriff's department has been reducing inmate population at CJ the last six months. Currently less than 100 inmates are housed during the day, down from almost 400 in 2017. Only unsentenced male inmates currently attending court are housed at this facility on the first floor making this a Monday – Friday operation. Floors two and three are unused. Arrestees are now booked and housed on Hackett Road as are sentenced inmates. The sheriff's department continues to utilize this facility due to a short underground tunnel used to walk inmates between CJ and the superior court thereby reducing security concerns.

The SCSD has renamed this facility The Stanislaus County Court Holding Facility. Despite the age of this facility, the SCSD does a remarkable job of maintenance and repair. The SCCGJ observed no serious maintenance issues that required immediate attention.

Election Observations – November 7, 2017

As a guardian of public trust in local government, the SCCGJ observed the balloting system in the county for the November 7, 2017 election.

The jury members received a step-by-step explanation of the balloting process from the Stanislaus County Registrar of Voters. Members were impressed by the extensive knowledge and professionalism of the staff.

All processing of ballots, including mail-in ballots, is done at the registrar's office downtown Modesto. This balloting system was observed by jury members. The county staff work long hours to make sure all ballots are processed correctly and on time.

SCCGJ members also observed the following polling sites within Stanislaus County:

- Burchell Nursery – 12000 State Hwy 120, Oakdale, CA.
- Family Life Church – 200 North Ave., Turlock, CA.
- Good Shepherd Lutheran Church – 640 N. Minaret, Turlock, CA.
- Oakdale Community Church – 311 N. Eighth Ave., Oakdale, CA.
- St. Frances of Rome Catholic Church – 2827 Topeka St., Riverbank, CA.
- St. Francis Episcopal Church – 915 E. Main St., Turlock, CA.
- Turlock Silvercrest Residence – 865 Lander Ave., Turlock, CA.

Jury members stayed thirty to forty-five minutes at each polling location. The poll workers were careful to follow protocol, punctuality, accuracy, and privacy. Volunteers vary in age and experience. Some workers were high school students receiving extra credit for government class. Other workers had been volunteering for more than twenty years. The poll workers were friendly and aided voters when needed.

Some general observations:

- Cardboard boxes used for dropping off mail-in ballots were not sealed and could be opened at any time.
- Voter turnout was low.
- Poll stations were staffed and opened at 7:00 A.M.
- The oath was taken after all volunteers arrived.
- The Braille machine was available.
- Each voter was greeted and given instructions.

A report of the observations was given to the Registrar of Voters.

**2017 – 2018 Stanislaus County Civil Grand Jury
Is Modesto City Water in Riverdale’s Future?
Case # 18-25C**

SUMMARY

In early December the 2017-2018 Stanislaus Civil Grand Jury (SCCGJ) received a complaint from a resident in the Riverdale Park Tract Community Services District (RPTCSD) accusing the current RPTCSD Board of Directors (BOD) chairperson of certain abuses, such as the inappropriate use of authority and allowing Brown Act violations to occur. In late January the complainant submitted additional documentation alleging additional improprieties against the RPTCSD board chairperson.

The SCCGJ investigated these complaints by interviewing RPTCSD board members and attending two RPTCSD BOD monthly meetings. During this investigation the SCCGJ found the RPTCSD board meetings to be chaotic, with little or no leadership. Meetings lack effective parliamentary procedures that results in screaming arguments. The SCCGJ was also concerned that certain members might have what appeared to be conflicts of interest. It was also determined that several Brown Act violations did occur. Additionally the RPTCSD has no approved bylaws by which to govern meetings, fill board member vacancies, and eliminate conflicts of interest.

As a result of the investigation, the SCCGJ recommends all members of the RPTCSD receive training in all aspects of conducting public meetings. Training should include, but not be limited to, Brown Act, parliamentary procedures, proper taking of meeting minutes, and leadership. The RPTCSD should also adopt bylaws that will provide guidelines as to how this board will govern itself. RPTCSD must increase residential and business water rates to expand operating reserves and create financial stability in this service district.

GLOSSARY

BOD	Board of Directors
CSDA	California Special District Association
LAFCO	Local Agency Formation Commission
RPTCSD	Riverdale Park Tract Community Services District
SCCGJ	Stanislaus County Civil Grand Jury

BACKGROUND

The RPTCSD was formed on December 18, 1984 and provides water services to residents and businesses within its boundaries. The district is located in rural Stanislaus County, southwest of the City of Modesto, and its boundaries are defined by the Tuolumne River on the north, Parkdale Drive on the west, Hatch Road on the south, and Carpenter Road on the east. The district encompasses an area of approximately fifty-eight acres. Five board members, elected by

the registered voters within the district boundaries, govern the district. Meetings are held on the first Thursday of each month at 6:00 P.M. at the Veterans of Foreign Wars hall located at 2801 W. Hatch Rd.

The SCCGJ interviewed two BOD members and attended RPTCSD board meetings. During the investigation the SCCGJ concluded that RPTCSD has no bylaws which to govern itself, does not apply parliamentary procedures, and allows a tumultuous board environment requiring a security guard be present to prevent physical altercations between board members. BOD meetings are unproductive due to personality conflicts. Water rates were established at inception in 1984 and have not been raised despite increased governance and operating costs.

METHODOLOGY

The SCCGJ used the following methodology in investigating this complaint:

- Interviewed complainant.
- Interviewed RPTCSD board members.
- Attended January and February 2018 board meetings.
- Reviewed LAFCO website.
- Reviewed LAFCO Municipal Service Review and Sphere of Influence Update for RPTCSD adopted May 24, 2017.
- Reviewed Brown Act.
- Reviewed all meeting agendas and minutes for the year 2017.
- Reviewed check register for the year 2017.
- Reviewed Stanislaus County Human Resources Nepotism Policy.
- Reviewed California Special District Association website.
- Reviewed 2015 - 2016 RPTCSD Financial Audit.
- Reviewed original ordinance establishing RPTCSD as a service district.

DISCUSSION

The SCCGJ interviewed two board members. The interviews could not have been more different. The first interviewee could not mention one positive aspect about the meetings or board members and believed the current chairperson is the cause of all RPTCSD's troubles. This board member also mentioned two board members are married but felt this did not cause a conflict of interest. However, he mentioned two issues during the interview that raised concerns for the SCCGJ. One issue related to the fact that a board member's daughter was not hired as RPTCSD's accountant. The second issue dealt with "emergency" on-call. The RPTCSD BOD appoints several of the board members for emergency call-out responsibilities. The on-call duty requires a certain level of physical strength and agility. The board member's spouse had "emergency" responsibilities removed by the chairperson due to an inability to complete certain

required job duties without assistance. Both of these issues raised multiple questions and concerns of the SCCGJ.

The second interviewee had a very positive attitude and was very proud of the commitment each board member makes to the RPTCSD community. The member was also disappointed that personality conflicts dominate each meeting making it nearly impossible to accomplish the simplest of required meeting tasks.

The first interviewee stated the following complaints:

- Failure of the clerk to record complete and proper meeting minutes by not including all board discussions.
- Governance procedures “bylaws” discussed and approved in meetings are not recorded in the minutes.
- Meeting minutes are not approved, and some are missing.
- Not following the Brown Act.
- Not following board agenda.
- Chairperson removed emergency responsibilities from board member.
- Unfair on-call emergency rules where both married board members should be paid the stipend if both report to an urgent issue.

The second interviewee felt that if the board could resolve the personality issues, they would be on their way to conducting successful board meetings. He admitted that board meetings are difficult to control, and board members would benefit from leadership training. The interviewee is willing to take any training needed in order to achieve the BOD goals. Additionally, the board has received mentorship support from Stanislaus County Chief Executive’s Office, but this did not include any formal training.

Both interviewees stated they have never attended formal training in conducting public meetings.

Having such disparate interviews, the SCCGJ decided to attend some RPTCSD BOD meetings and let these meetings guide them in which complaints to investigate. Some complaints were not investigated due to the late date this complaint was submitted.

Board Meeting Observations

Multiple members of the SCCGJ observed the February 1, 2018 and March 1, 2018 RPTCSD board meetings. Each board meeting met quorum requirements. Below are observations from both meetings:

- Meeting agendas were not posted the required 72 hours in advance in accordance with the Brown Act.
- No agenda or prior months meeting minutes were available and shared with public attendees.

- Board members and the public were having sidebar conversations loud enough to disrupt the board meetings. The board and public ignored the chairperson's request for silence.
- The agenda was not followed.
- Parliamentary procedures were not followed in calling meetings to order, motions, discussions, and voting.
- No BOD member was responsible for taking meeting minutes. Various board members and the clerk digitally recorded the meeting at different times using their phones. The chairperson video recorded an argument between board members.
- The chairperson requested board approval to fill a board vacancy. Other board members objected, and a loud argument began. The matter was tabled.
- At the conclusion of the meeting one board member abruptly stood and a walking cane fell from the member's hand and touched the clerk who claimed this was intentional.
- The meeting was never officially adjourned.

Documentation Reviewed

The SCCGJ reviewed the documentation package that included all twelve meeting agendas for the year 2017. Eleven meeting minutes were provided; July 2017 minutes were missing but a cover letter noted that other board members might have recorded the meeting. SCCGJ did not pursue requesting the missing July minutes.

A review of meeting minutes demonstrated just how chaotic RPTCSD BOD meetings are. The minutes are voice recorded by the clerk and later transcribed almost verbatim. SCCGJ compared meeting agendas and minutes and noted most meetings did not follow the agenda, and additional topics not on the agenda were discussed. The Brown Act requires prior notice of agenda topics in addition to the time and place of meetings. This is so the public can decide if there is something relevant. When topics are addressed/decided/voted upon, citizens are denied the right to participate in the process thus violating the Brown Act. Some agenda topics were never discussed or properly tabled, and minutes noted numerous interruptions by board and public individuals. Additionally many minutes have yet to be approved.

Many motions were made to create or update bylaws, but there are no existing bylaw documents to update, thereby making the meeting minutes the sole repository for changes to governance procedures. The "bylaws" provided were not in fact bylaws but the original operating procedures approved by Stanislaus County Board of Supervisors at the inception of the district.

RPTCSD has not been compliant with their audits since fiscal year 2011-2012. Charles E. Strand CPA conducted the Financial Audit for June 30, 2016 and 2015. RPTCSD is now current.

The check register listing all checks for year 2017 was of little help in this investigation due to the lack of information on the register. SCCGJ did not request further clarification.

Review of RPTCSD's financial audit, financial information provided with meeting minutes, and the LAFCO Municipal Service Review all indicate operating reserves have significantly

decreased in recent years. Monthly water rates (\$25 residential and \$50 business) have not increased since RPTCSD was established in 1984. These revenues are not sufficient to meet governance and operating expenses, and the RPTCSD BOD must consider increasing rates immediately to keep this service district solvent.

RPTCSD has not created a website to communicate with its constituents. The simplest of websites would allow residents of this service district to easily view documents that would educate them on the various issues and encourage more public participation.

FINDINGS

- F1. The RPTCSD BOD has no bylaws on how to conduct meetings or resolve the simplest issues regularly causing dissension and division within the board.
- F2. The governance and operating expenses are outpacing revenues and significantly reducing operating reserves.
- F3. RPTCSD BOD has failed to properly post its monthly meetings to the public in violation of §54954.2 of the Government Code (part of the Brown Act).
- F4. Nepotism exists on the RPTCSD BOD.
- F5. The RPTCSD BOD has one vacancy that often results in a tie vote on motions, thus preventing completion of unfinished business.
- F6. Stanislaus Chief Executive's Office provided support to the RPTCSD BOD but had little impact on improving Brown Act compliance, meeting effectiveness, and internal discord within the board.
- F7. The chairman of the board has no control of the meetings. Attempts to control outbursts and interruptions are unsuccessful.
- F8. Financials are not discussed during board meetings. Checks are passed down the table to each board member to review and sign, but no voting or discussion is done to approve expenditures.
- F9. Board agendas and minutes are not provided to the general audience during board meetings unless requested.
- F10. No set policy of minimum physical requirements, procedures, or responsibilities has been agreed upon for on-call pay and emergency duties.
- F11. RPTCSD does not have a website to provide the general public with meeting agendas, minutes, or other documents to encourage public participation.
- F12. The biennial financial audit is current.

RECOMMENDATIONS

- R1. RPTCSD should seek organizations that provide training, mentorship, website, and personnel support to facilitate their transition to an effective and productive board by December 31, 2018. One such organization is California Special Districts Association – www.csda.net.
- R2. RPTCSD residential and business water rates should be increased no later than December 31, 2018 in order to maintain a positive cash flow position.
- R3. RPTCSD shall create a conflict of interest policy as required by law to minimize board meeting issues by October 1, 2018.
- R4. Each RPTCSD board member should attend training by March 31, 2019 in the following areas: Brown Act, parliamentary procedures, conducting efficient meetings, and team building.
- R5. RPTCSD BOD should adopt bylaws by July 1, 2019 that provide written procedures specific but not limited to conducting BOD business, job descriptions, filling board vacancies, and emergency contacts.
- R6. RPTCSD should create a website in order to improve transparency by December 31, 2018. Meeting agendas, minutes, special reports, financial audits, bylaws, and the governing ordinance are examples of documents that foster increased trust and communication within this community.
- R7. RPTCSD should insure by July 31, 2018 that the meeting agendas are posted pursuant to Brown Act regulations.

REQUEST FOR RESPONSES

Pursuant to Penal Code section 933.05, the grand jury requests responses as follows:

- Riverdale Park Tract Community Board of Directors

INVITED RESPONSES

- Stanislaus County Board of Supervisors
- Stanislaus Local Agency Formation Commission

**2017-2018 Stanislaus County Civil Grand Jury
Participation in the Annual Financial Audit Report
For the Fiscal Year Ended June 30, 2017
Case #18-35GJ**

SUMMARY

In accordance with California Penal Code Section 925, civil grand juries are required to investigate and report on the operations, accounts, and records of the departments or functions of the county. Therefore the 2017-2018 Stanislaus County Civil Grand Jury (SCCGJ) reviewed the Stanislaus County Audit Report dated June 30, 2017. The audit was completed by Brown Armstrong Accountancy Corporation.

GLOSSARY

Comprehensive Annual Financial Reports (CAFR) A set of US government statements comprising the financial report of a state, municipal, or other governmental entity that complies with the accounting requirements published by the Governmental Accounting Standards Board.

SCCGJ Stanislaus County Civil Grand Jury.

The Single Audit The Single Audit is a rigorous organization-wide audit or examination of an entity that expends \$950,000 or more of federal funds received for its operations. This Single Audit is also known as the Office of Management and Budget (OMB) A-133 Audit.

Unmodified Opinion The auditor's opinion of a financial statement given without reservation. Such an opinion basically states that the auditor finds the entity followed all accounting rules appropriately, and the financial reports are an accurate representation of the entity's financial condition.

BACKGROUND

The June 30, 2017 Stanislaus County Audit Report addresses the CAFR, as well as the Single Audit Report. The 2017 CAFR is intended solely to describe the scope of financial internal control testing and to assure the county's financial statements are error free. The audit includes a sampling of departments and programs within Stanislaus County. This audit report received an unmodified opinion.

The Single Audit addresses compliance with OMB A-133, which applies to the county's major federal programs. All programs in this report received an unmodified opinion; therefore, no corrective actions were recommended by Brown Armstrong Accountancy Corporation. The audit samples included the following: Special Supplemental Nutrition Program for Women,

Infants, and Children (WIC), Highway Planning and Construction, Foster Care Title IV-E, and the Medical Assistance Program.

Audits conducted of the following agencies and programs resulted in unmodified opinions and to financial statements and internal controls:

- Health Services Agency.
- Inmate Welfare.
- Regional 911.
- Insurance Fraud.
- North County Corridor Transportation Expressway Authority.
- Stanislaus Animal Services Agency.
- City County Capital Improvement and Financing Agency.
- Treasury Oversight Report.
- Tobacco Endowment Investment Fund.

METHODOLOGY

Members of the SCCGJ 2017-2018 attended the Entrance Audit Conference on August 23, 2017, and the Exit Audit Conference along with county department heads on March 21, 2018. The Master Agreement for Professional Services provided by Brown Armstrong Accountancy Corporation was reviewed. The SCCGJ questioned various aspects of the audit including disbursement control at the department level. The SCCGJ attendees were satisfied with all answers provided by the Auditor-Controller.

FINDINGS

- F1. The audit disclosed that the Auditor-Controller is accurately reporting the financial condition of the county.
- F2. The audit disclosed that financial controls are working effectively.
- F3. The exit interview disclosed that the Auditor-Controller reviews internal controls to insure they continue to be effective.

COMMENDATIONS

- C1. The SCCGJ commends the Auditor-Controller management team for their competent financial management.

INVITED RESPONSES

Stanislaus County Auditor-Controller
Stanislaus County Board of Supervisors