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FRESNO COUNTY GRAND JURY
FINAL REPORTS AND RESPONSES

RESPONSE TO REPORT #1

From the
CLOVIS CEMETERY DISTRICT

Clovis Cemetery District

Response to the 2023

FRESNO COUNTY GRAND JURY REPORT

Clovis Cemetery District response to the findings and recommendations of the County of Fresno Grand Jury report.

Please find below the Clovis Cemetery Board of Trustees response to the April 29, 2024 Grand Jury report. The Clovis Cemetery District thanks the Grand Jury for the investigation and recommendations related to the Clovis Cemetery District.

Findings F1:

The District may have violated the Government Code Section 26909 in that no annual audit has been submitted since 2019.

Recommendation R1:

Complete the financial records necessary to submit to a qualified auditor for the audits required by the County of Fresno for the fiscal years of 2019 through 2023 within on hundred eighty days of the release date of this report.

Response: All financial documents for fiscal years 2019-2023 have been prepared by Price Paige Company. Rough draft has been completed as of Tuesday July 30th, 2024 and delivered to Jaribu Nelson CPA of J. Nelson & Company for final review. Final report will follow shortly after.

Findings F2:

The District has neglected to prepare an annual budget.

Findings F3:

The District appears to not have followed generally accepted accounting practices in maintaining a complete set of financial records.

Recommendation R4:

Provide appropriate District personnel training on how to prepare a budget and on how to read and interpret the financial statements that were prepared for the county audit within sixty days of the receipt of those statements from their CPA.

Recommendations R5:

Prepare and maintain an annual budget.

Response: Price Paige Company is in the process of working up the 2024-2025 budget with the District Manager. The District & Price Paige are waiting on the final audit from FY 23/24 to be completed, to move forward with accurate numbers for the budget. Training is ongoing with Price Paige Company.

Findings F4:

The District has made its annual compensation available for review as required by CalPERS through August 2023.

Response: The District will continue to make its annual compensation available for review as required by CalPERS. Historically this has always been done on an annual basis.

Findings F5:

The District may have violated Government Code section 53087.8 in that it does not have a website.

Recommendation R2:

Ensure a website is up and running within one hundred twenty days of the release date of this report.

Response: Website was completed and launched on May 15th, 2024. Cloviscemetery.org The website had been in the works for some time with previous management but never finished and completed under our current management.

Findings F6:

The District appears to have violated the Brown Act in that notice of Board of Director meetings and agendas are not posted 72 hours prior to the Board of Trustees meetings.

Recommendation R3: Post notices for Board of Trustees meetings, such as the agenda, 72 hours prior to regular meetings of the Board commencing with the first meeting after the release date of this report.

Response: We appreciate you letting us know that the agenda was difficult to find, so we amplified the way we post it and have placed the agenda in the special announcements cork board to the right of the office door and on our website 72 hours before.

Findings F7:

The landscaping and maintenance of the cemeteries have been negatively affected by the decrease in the number of employees.

Recommendation R6:

Conduct a cost benefit analysis to determine if employing more landscaping and maintenance staff would significantly improve the appearance and usability of the cemeteries within one hundred twenty days of the release date of this report.

Recommendation R7:

Take action towards hiring additional landscaping and maintenance staff, if appropriate, within one hundred eighty days of the release date of this report.

Response: We have had 12 employees on staff since 2008 according to records. The District has looked into options and it is more costly to hire full time employees than it is to hire temps through a temporary agency as needed. The maintenance issue at Clovis cemetery was not due to an employee issue but an issue from our well being down from June 2023 through August 2023. The maintenance issue at Redbanks cemetery was also not due to an employee issue but an issue from our well being down from April 2022 through October 2023. Each cemetery has its own characteristics with two of them having irrigation and landscaping and the other three being in our mountain communities with no irrigation to continue preserving our pioneer legacy.

Findings F8:

The recent non-functional wells at Clovis and Red Bank cemeteries contributed significantly to the landscaping problems at those cemeteries.

Response: The well at the Clovis cemetery went down in June of 2023 and was fully back up and running by August of 2023. The well at the Redbank cemetery went down in April of 2022 and was fully back up and running in October of 2023. The District rented water trucks to preserve the trees & bushes at both cemeteries. The well at the Redbanks cemetery was drilled down to 300 feet and is estimated to last approximately 20 years. The Clovis Cemetery well was dug down another 100 feet which is estimated to last approximately 15 years.

This concludes the Clovis Cemetery District comments on the Findings and Recommendations of the Fresno County Grand Jury Report.

Sincerely,

The Clovis Cemetery Board of Trustees.



FRESNO COUNTY GRAND JURY
FINAL REPORTS AND RESPONSES

REPORT #2

TOWARD LASTING IMPROVEMENT:

A Review of Fresno County Vacant Property
and Real Estate Practices

Toward Lasting Improvement:
A Review of Fresno County Vacant Property and Real Estate Practices



Fresno County Civil Grand Jury 2023-2024





Epigraph

“How much land does the government own? It seems like a basic question that would have a simple answer, but it’s not. Nearly half the states do not have the kind of basic property and asset data that a well-run business or responsible family relies on to manage its finances...However, most state governments that do have some kind of inventory of their real property, which is the land and everything on it, are not productively managing what they own, leading to frequent misuse and underutilization of land and assets.” (Randazzo)

Grand Jury View

Substitute county government for state government and the quotation readily applies to the conditions the Civil Grand Jury has discovered in its inquiry into Fresno County real estate practices.

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Summary

The Fresno County Grand Jury, prompted by a complaint regarding the impact of County owned vacant property on our communities, investigated the real estate holdings and real estate management practices of Fresno County. The investigation revealed numerous errors in the data supplied by the County sufficient to undermine confidence in the County's overall management of its real estate. The Grand Jury identified problems in the County's marginal real estate holdings, as well as a number of larger transactions that were characterized by delays or mis-steps. Strategic planning, a key aspect of successful management, was noted for its absence. The issues the Grand Jury identified are sufficient to lead to the conclusion that the County needs significant reform in its handling and tracking of real estate.

Rationale for the Inquiry

A TikTok video clip was the spark for this investigation. The video, a recruitment effort for Fresno County's Internal Security Services, boasted responsibility for over 500 buildings with 26,000 annual calls for service, and indicated a high need for officers to secure these properties. In the video officers patrol various locations with the most striking being the dark corridors of a large, abandoned building which was surmised to be the University Medical Center Campus (UMC), derelict for nearly two decades.

During the 2022/2023 County Budget discussion, it was noted that the annual security expenditure for UMC and other properties was approximately \$2.5 million. Given the high cost of maintaining the vacant structures, the Grand Jury wondered how many vacant or derelict properties the County owned, and how those properties affected County residents. Were County properties significant factors in blight? The challenges of investigating what appeared to be a straightforward topic proved to be significant, however, and the lack of consistent data ultimately urged a broader scope of exploration, which evolved to a more general review of real estate holdings, practices and management through the focus on vacant properties.

The Grand Jury is required to investigate at least one county officer, department, or function per term, and this effort will meet that obligation by investigating the real

property assets that are owned, leased, or otherwise utilized by the County of Fresno, and largely managed by the Internal Services Department (ISD)

Method of Inquiry

The Grand Jury's judgment regarding Fresno County's real estate management was formed in the context of 15 interviews, reviews of property lists provided by county departments, Board of Supervisors agendas and minutes, internet research and visits to the property locations. We requested property information from the following departments:

- Internal Services Department
- Assessor's Office
- Auditor/Controller's Office
- County Administrative Office
- Sheriff's Department
- Public Works and Planning

Discussion

The spreadsheets reviewed included a management or working list provided by ISD, which has primary responsibility for managing real estate. A list provided by the Assessor's Office identified Assessor's Parcel Numbers (APN) but contained sparse property description. The list of insured properties provided by the County Administrative Office specified only 265 properties with a valuation of \$1.4 billion, but these represented a little over half the properties identified on the ISD list, which raises questions about the valuation. While both the ISD list and the Assessor's list contained 406 entries, the ISD list displayed 39 properties not on the Assessor's list and the Assessor's list 39 properties not on the ISD list. Each list met some specific departmental purpose and yielded useful information, but none provided a comprehensive snapshot of each individual property sufficient for planning and decision-making without a great deal of additional back-checking and time-consuming research.

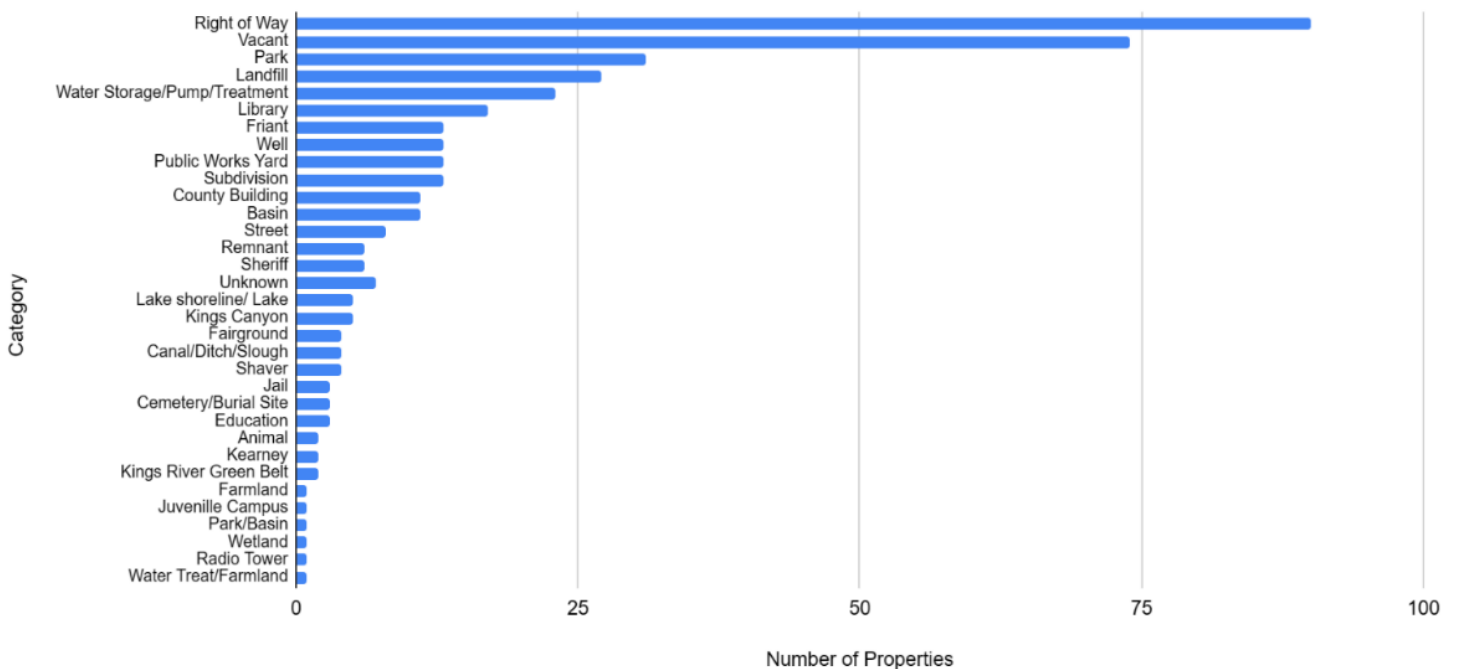
Taken together the lists of real estate provided to the Grand Jury were informal, closely held, and inconsistent. They included outdated data, and raised questions as to

the history of the property and why the property was even in the county’s inventory. The list determined to most closely meet the Grand Jury’s needs was the ISD list because it contained **some** descriptive notations about the properties and identified some properties as vacant.

Overall, County departments were unable to provide accurate, up to date, easily searchable data that included all County holdings, either owned outright or leased, and vacant or not. The Grand Jury concluded such a database does not exist. Property transactions and ownership are memorialized in the Recorder’s Office but are not easily searchable. Public Works has the ability to map the property, but access is by request and not immediately available. The County owns 3,938 acres of land, and of the approximately 406 properties identified as County holdings in the ISD list, more than sixty were questionable due to conflicting or incomplete data. Parcels listed in the Assessor’s report and the ISD property spreadsheet (which was based on an Assessor’s report) did not match the parcel map. The following graph identifies the property categories the Grand Jury used in its analysis:

Fresno County Property Categories

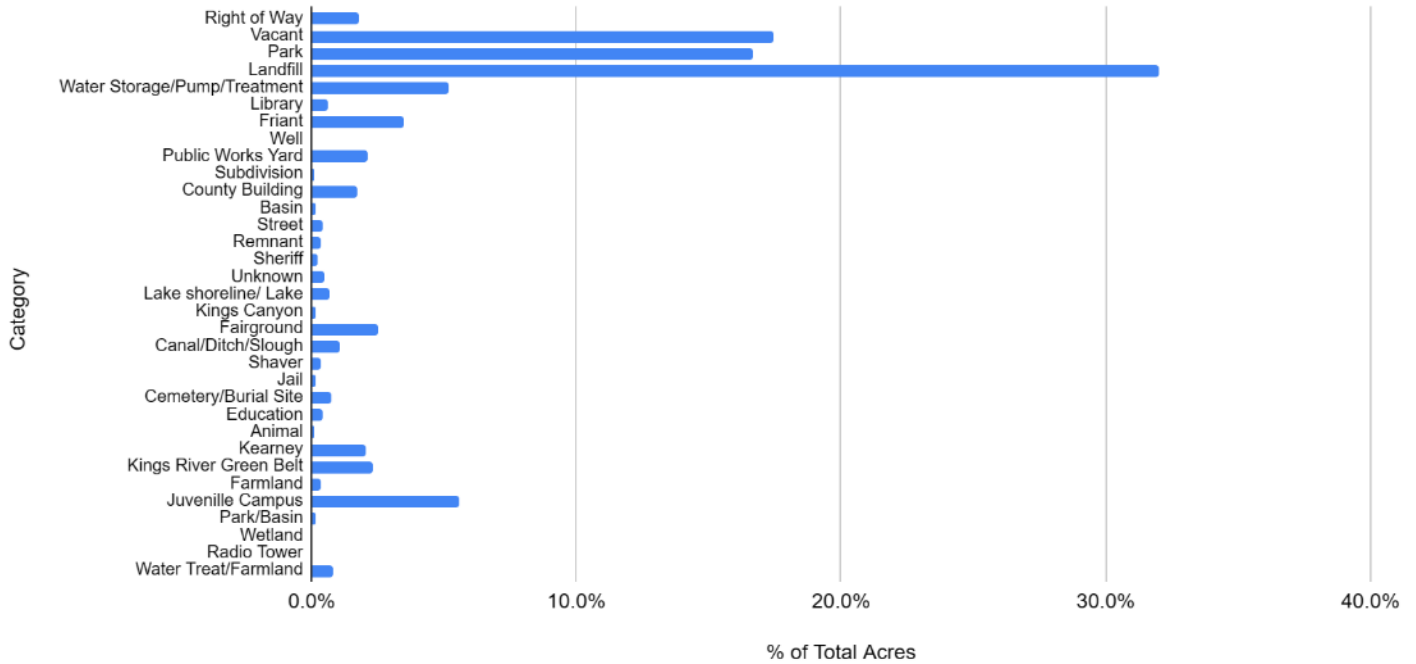
Total Properties = 406



The below graph identifies property categories by acreage:

Fresno County Acreage % by Category

Total Acres = 3,938



The Grand Jury also requested documents from relevant departments that would demonstrate the extent to which real estate transactions and capital maintenance were guided by planning. Though we requested planning documents, only the most preliminary were provided, and we concluded no comprehensive real estate plan exists that treats property as an asset rather than merely cost to be managed. Nor is there evidence of a comprehensive capital maintenance plan that realistically anticipates the appreciating cost of deferred maintenance over time, essential to realistic budgeting. Regular management reports that track property status, essential to timely decisions, have yet to be developed.

Maintaining an efficient and cost-effective level of staffing is desirable. However, given the value of county assets concerned—nearly a billion and a half dollars--the current minimalist approach, where real estate oversight is vested in a single position, is inadequate. The current approach may well result in missed investment opportunities,

unnecessary maintenance costs, false starts, and unexpected liabilities. Reforming Fresno County's real estate management will require additional staff, but sometimes underspending is more costly in the long term than investing in the necessary plans, processes and controls.

Property Leased by Fresno County

In addition to requesting lists of Fresno County owned property, the Grand Jury also asked for a list of properties leased by the County. A list was provided by ISD, which is responsible for managing most leases, and by the Auditor/Controller's Office, which maintains a list for government reporting purposes. All Fresno County department heads are responsible for providing a departmental lease list to the Controller's Office for year-end reporting. The Controller's lease list is included in the Annual Comprehensive Financial Report (ACFR) approved by the Board of Supervisors. The Grand Jury compared the ISD list and the Controller's list and found the Controller's list did not contain all County leases since it was required to report only leases that were valued at more than \$10,000. Additionally, the Grand Jury identified the following problems:

- No month-to-month nor year-to-year leases (rents) were included on the Controller's list as these are considered operating leases and are not required to be listed in their report per Governmental Accounting Standards Board (GASB) 87.
- One major lease on the Pelco Campus (L-328) was not listed on the Controller's report due to undisclosed reasons.
- There were several data fields from the Controller's report that did not match the ISD report, including lease end dates and lease agreement numbers.
- The ISD lease list did not have updated lease information loaded into the file.
- Several lease agreements approved by the Board of Supervisors in April and June 2023 were yet to appear on ISD lease list by October 2023 when the data was accessed.

Properties Leased from Fresno County

The many vacant properties owned by Fresno County have, at least theoretically, revenue generating potential through rents. These government owned properties are tax exempt and many of them have significant maintenance costs. The ISD lease spreadsheet records 20 active leases though the information on the spreadsheet was incomplete and several data fields contained conflicting information. For example, one entry shows a lease end date of September 30, 2038, but the entry contained a note that said the lease was not listed in E-contracts, the software where County leases are maintained. Five of the 20 active leases contained similar discrepancies. In addition, there were entries with lease numbers, but the entries noted there were no signed lease agreements.

Obviously, farmland looks to be the biggest cash generator for Fresno County. We discovered two significant, no longer active farmland leases in addition to the original 20 active leases identified in the ISD lease spreadsheet. However, these two leases were terminated in 2022 for non-payment. It is not clear how many active leases exist and if they are being regularly reviewed. From its analysis, the Grand Jury concludes Fresno County has opportunities for improvements in how it manages and leases County income property.

Discussion of Marginal Properties

Understanding a property's history well enough to make informed decisions is very challenging based on the inaccuracies in the real estate data provided, and some entries were obviously incorrect or obsolete. One parcel listed as a vacant lot on the ISD list, for example, is the site of the Tranquility Branch Library, which was constructed over a decade ago. Another library, the Laton Branch Library, which is in a 1,596 square foot historical building, and has been part of the Fresno County Library since 1910, is to be found on neither the list of owned or leased properties.

Due to the concern over blight, the Grand Jury was particularly focused on properties that were noted as vacant, though the term ‘vacant’ itself is problematic since it referred to both empty lots and unused buildings. Our request for a schedule that tracked maintenance programming and costs led us to conclude that such a schedule does not exist. Maintenance of these properties is sporadic rather than systematic and the Grand Jury was told that maintenance or repairs occurred in response to citizen complaints rather than through regular monitoring of the property. In many cases the properties listed as vacant begged the question as to why they were even in the County’s inventory, as they provided no discernible benefit to the citizens of Fresno County. The number of property entries that raised questions was large enough to lead to the conclusion that the County is not fully managing its real estate portfolio—that some properties were just there—not part of any overall plan, not systematically maintained, and not regularly reviewed by County administrators or the Board of Supervisors.

The following properties, identified on the ISD property list, are representative of the many issues that were identified:

Property 1

5579 and 5593 S Academy in Del Rey

These two adjoining addresses, the first .30 acres and the latter .45 acres, are both listed as vacant, county-owned properties on the ISD property list. They are located near the city of Del Rey, on Academy Avenue, which is a divided, four lane, well-traveled highway. The area is rural/agricultural with nearby homes on both sides of Academy on large lots or farms, including orchards. The property appears to be somewhat maintained, though weeds and roadside trash are present. A few scattered trees and three old utility poles suggest that there was once a residence or other buildings on the property. The ISD list contains no information as to how and when the County of Fresno came to own the property or what plans there are for the property but given the property’s location in a residential/agricultural area, it appears to be of little use to Fresno County. If the lots are necessary for some purpose, that purpose needs to be captured in the tracking documents and in a property plan. If there is no purpose, that should be reflected as well as a basis for future decisions.



Google Maps Picture of Del Rey Property:

Property 2

Cantua Creek Properties

The ISD list contains six associated, county-owned, vacant properties in the rural farming community of Cantua Creek that raised questions, particularly in regard to the way they might negatively impact an already hard-pressed community. The properties are adjacent to or in proximity of a County water storage facility and El Porvenir Park. A residential neighborhood is across the street from the park and water facility and also next to vacant lots. The park itself was listed on the ISD list as 1.16 acres, and a site visit showed the location to include a picnic area, playground, and baseball field, all of which are rundown and in disrepair. The park area is behind a battered chain-link fence and there is no

grass. Whether the park is open is difficult to judge as the gate, which is chained on one side, is off its hinges, ajar and partially open. The assorted properties range in size from almost 8.0 acres to slivers of .20 acres. Some parcels are described as vacant land; one is a vacant “residential lot.” Three other nearby parcels are commercial and front Highway 33. Though the ISD list describes these lots as vacant, numerous semi- truck and trailers are using the property for parking. The miscellaneous nature of the lots raises questions, and the park is not maintained, though people are clearly using it. The park alone is an eyesore, compounded by the other vacant County-owned parcels nearby.

Google Earth Picture of Cantua Creek Property:



Property 3

South Park Circle Drive in Fresno

This property was flagged because the ISD spreadsheet listed it as a “park” but the Fresno County Parks website did not include it. The property is a 2.21-acre parcel located in the Sunnyside neighborhood in the City of Fresno. The property is an island encircled by Park Circle Drive with established neighborhood homes fronting it on the opposite side of the street. A few scattered trees dot the property and there are several Fresno County “no dumping” signs on the fringes of the property just off the pavement. The parcel was relatively litter and weed free and appeared to have been scraped in the not- too-distant past; however, there are no restrooms or picnic tables or other amenities that would suggest it is a park, nor is there grass or any other type of ground cover. Numerous tire tracks in the dirt indicate people have been driving on the property, and residents expressed concern that it could become attractive to the homeless if it changed and became readily known. It is not listed as a park on the Fresno County Parks website. The property lists provided no information regarding the County’s history with the property, nor any plans outlining its future.

Google Maps Picture of “Park” Property:



Property 4

650 W. Church Avenue in Fresno

This property of .80 acres is listed as a vacant, county-owned parcel on the ISD property list. The property is located in southwest Fresno in an industrial/commercial area. The ISD list describes the property as part of a poultry plant. Several concrete structures are behind a street line fence, and portions of the lot are paved. The property is surrounded by a mix of businesses: trucking, agricultural, light manufacturing, salvage. The nature and number of structures is likely to present a high demolition cost to clear the lot, which may be why it hasn't been cleared. A visit to the property found a German Shepherd guard dog behind a security fence. This prompted further investigations which ultimately revealed the ISD spreadsheet to be incorrect as the property was actually transferred to the City of Fresno sometime in the past. The transfer was not noted because the Assessor's office sometimes does not record tax exempt transactions, so the change did not appear on the ISD property list.

Google Maps Picture of W Church Ave Property:



The properties cited above demonstrate Fresno County's inattention to some of its marginal assets, beginning with the entry for a property the County no longer owns. The importance of these holdings might be dismissed in the context of the scope of the County's overall budget and the large size of its real estate portfolio. However, each of the properties does have potential negative impact on the communities in which they are located, each has associated liability and maintenance issues, and each is evidence that the County is not actively managing all of its real estate. Moreover, the ISD list contains other properties that could just as easily have been cited.

Discussion of Selected Major Properties

The properties described above are relatively low value (though each impacts a community) and suggest an inattention to the County's marginal or miscellaneous holdings. The Grand Jury investigation, however, also revealed large, highly visible transactions, with impacts in the millions of dollars, that faced interminable delays, false starts, and inadequate planning.

Property 5

University Medical Center

Because of its size, complexity, and history, this legacy property has proved particularly difficult to address for Fresno County. There have been several efforts to sell the property over the years, and it is representative of the inordinate amount of time it takes the County to consummate some real estate transactions. The campus, located at Cedar and Kings Canyon Avenues, sits on a 30-acre urban parcel in the City of Fresno. Its footprint of 620,000 square feet is spread across 20 buildings. The location was first developed as a hospital in 1889, with many of the current buildings constructed in the 1950's. The property's decline can be dated to 1996 when hospital services were contracted out to Community Hospital, which abandoned the main hospital buildings in 2007. Currently, the main hospital towers are empty, while outlying buildings are occupied by various agencies including the Department of Behavioral Health and the Department of Social Services. Adding to the challenge, is the fact that utilities are shared between the main tower and

outlying buildings, making the buildings difficult to sever. The facility could have been demolished after 2007 for an estimated cost of \$6 million to \$8 million. Annual maintenance and security costs for the hospital buildings are over \$1 million per year, a sixteen-year total (2007-2023) of at least \$16 million. The bid the Board of Supervisors recently accepted for the sale of the property is \$6 million.



Google Maps Picture of UMC Property

Property 6

Elkhorn Avenue Detention Facility

This property is located near the City of Caruthers at the intersection of Highway 41 and Elkhorn Avenue. Like the UMC property, it is large (317 acres) and complex (76,572 square feet in several buildings). And like the UMC property, the Elkhorn facility has been vacant for years. The area is agricultural and the property was acquired by the County in the 1950's. From 1959 to 1994 it served as the site of an "honor farm," a low security annex to the Fresno County Jail. From 1997 to 2009 the property operated as a "boot camp" for juvenile offenders, but closed in 2009 due to County budget shortfalls. In the

14 years since 2009, the property has remained vacant, though recent plans include a major county training center and a 60-acre groundwater recharge facility. Vandalism is an ongoing problem, and maintenance and security costs are more than \$100,000 per year.

Google Earth Picture of Elkhorn Property



Property 7

Selma Farm Land

This property of roughly 90 acres on DeWolf Avenue near Selma was purchased in 2007 using Tobacco Securitization Funds for a proposed ag center. The purchase price was approximately \$4.6 million dollars--more than \$50,000 per acre. Tobacco Securitization Funds are restricted to non-commercial use which undermined project feasibility from the outset and made later attempts to dispose of the property difficult and complicated as did

political considerations. Later, the property's highest and best use was determined to be agricultural, and it was appraised for \$17,000 per acre or \$1.5 million, a staggering decline of \$3.1 million from what the County originally paid. Making a bad situation worse, funding restrictions prohibited the land from being leased for farming, which would create income to recover some of the lost value. The Grand Jury could not determine whether the deal was the result of incompetence or malfeasance or other factors. Communications between departments is a likely factor here, as is the complexity of the County's many funding sources. Sixteen years later one of the largest Fresno County properties remains vacant and unused.



Google Earth Picture of Selma Property

Property 8

Unpaid leases

Fresno County owns significant acreage near the American Avenue landfill, land that is reserved for future dump expansion. In 2010 the Board approved a 25-year lease of a portion of that land for fruit and nut farming operations and in 2014 entered into a 25-year lease of another portion with a second operator. In both cases the County did not collect

rent for extended periods of time. For one of the operations, no payments were collected between October 1, 2020 and March 31, 2022, an accrued total of \$103,344, though this lease was eventually brought current. The second lease agreement was signed in 2014 and amended in 2016 to allow the operator to make monthly rather than quarterly payments. By 2017 the County was failing to collect the required monthly payments of \$23,494.63. By December 2021, the County was owed \$1,010,726.68 (forty-three months of payments.) The County evicted the tenant in 2022, and initiated ongoing legal efforts to recoup the debt. The Grand Jury learned that these particular leases were unique in that they were originated and managed within Public Works as an ancillary to the management of the landfill, which makes sense from some perspectives. However, managing complicated agricultural leases is not part of Public Works regular responsibilities, and the leases were allowed to languish for extended periods with a lack of effective enforcement action taken by the County.

Organizational Structure

Notable lapses, inconsistencies, omissions and errors were present in all the listings of property that the Grand Jury consulted. Some of the problems result from the fact that the Assessor's Office doesn't prioritize non-financial or non-tax transactions (so-called "T" properties) and is lax in recording them. For example, when the water facility on Church Avenue discussed above was deeded over from Fresno County to the City of Fresno, the Assessor's list did not capture it. Since the ISD property list originated with the Assessor's list, the ISD list did not reflect the change in ownership, a frequent cause of the errors the Grand Jury identified. Be that as it may, there is no accurate database that puts all relevant information in one place. The issues the Grand Jury detected were longstanding and reflect years of culture, practice and budget.

Current County employees are more the victims of this history than its agents, and the Grand Jury found those interviewed to be responsive, forthcoming and conscientious, as well as aware of the short-comings identified in this report. We believe gaps in institutional memory contribute to the County's challenges because little property history

is readily at hand. Though efforts have been made to consolidate and centralize real estate operations through the transition from General Services to a centralized ISD operation (in 2011 Year), and the accompanying reduction in positions, processes are noticeably reactive rather than proactive and are usually originated at the department level. The planning that occurs tends to be occasion driven, as in the major Americans With Disabilities Act (ADA) compliance project that was frequently cited. Many of the real estate transactions we reviewed were in response to opportunities created in the larger market, i.e., the Rowell Building or the major office relocation of multiple departments to the former Pelco Campus. While there is benefit in taking advantage of emerging opportunity, the County would be well-served by more deliberate planning and a policy that guides ownership of excess property. Also, the silo effect between/among departments, the overlap of responsibilities, and the handoffs from one department's process to another's create ongoing opportunities for mistakes, mis-directions and omissions.

Given the number of years it has taken to address some of its large, obsolete facilities such as the UMC hospital or the Elkhorn Ave Juvenile Detention Facility, as well as its inventory of miscellaneous vacant property, the County can be said to lack urgency in its disposal of excess property. We could find no guiding directive, principle or incentive to do so, nor did we identify anyone directly responsible for ensuring properties were liquidated in a timely manner.

Vision and Strategic Planning

As the epigraph to this report makes clear, Fresno County is not alone in its outdated approach to the management of its real estate assets. The Reason Foundation white paper, "Knowing What You Own: An Efficient Government How-To for Managing State and Local Property Inventories," establishes the pervasiveness of the challenge. Other county grand juries have conducted similar investigations and come to similar conclusions. For example, the 2014-2015 Orange County Grand Jury published the report "Orange County Real Estate: Do They Know What They Have?" That report highlighted

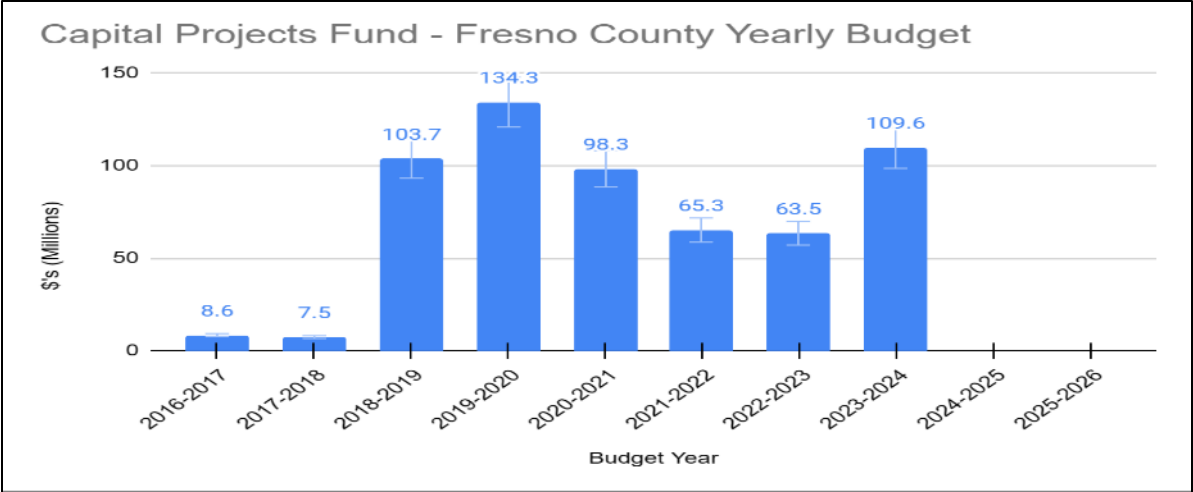
the need for a consolidated data tool to track and manage real estate holdings. Other counties have made significant gestures toward more comprehensive strategic planning such as the “County of Placer Five Year Capital Improvement Plan for Facilities, FY 2022-23 through FY 2026-27.” Los Angeles County’s “2020 Strategic Asset Management Plan,” is a particularly helpful model. That plan lists strategic planning goals which well-reflect the Fresno County Grand Jury’s aspirations for Fresno County’s approach to real estate management:

- Create a County-wide understanding of asset needs and priorities;
- Strengthen connections between service priorities and asset decisions;
- Maximize use of County space and achieve cost savings;
- Prioritize needs to optimize highest and best use of assets; and
- Plan investment and funding strategies.

Planning is key to effective management. The Government Finance Officers Association (GFOA) puts this imperative succinctly:

GFOA recommends that state and local governments prepare and adopt comprehensive, financially sustainable, and multi-year plans to ensure effective management of capital assets. A prudent multi-year capital plan identifies and prioritizes expected needs based on a strategic plan, establishes project scope and cost, details estimated amounts of funding from various sources, and projects future operating and maintenance costs.

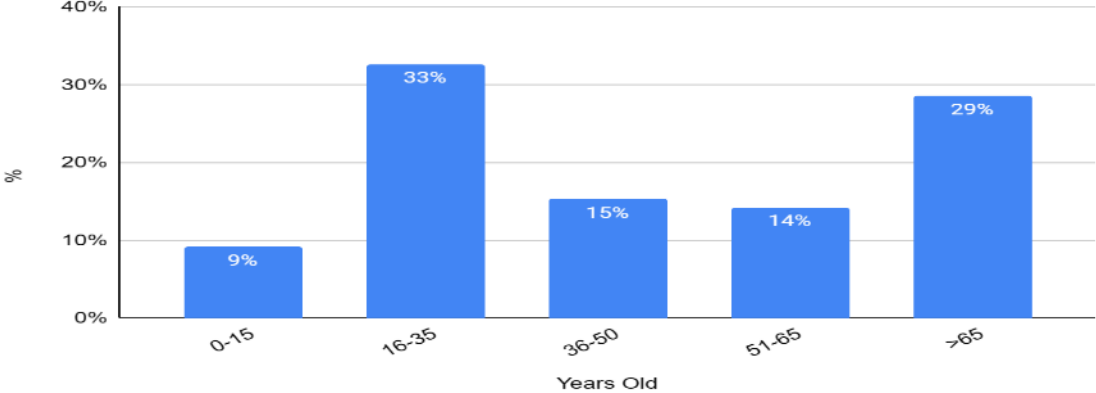
The Grand Jury did make numerous requests for strategic plans beyond one year, and the fact that none were forthcoming is cause for concern, particularly in the context of the County’s dynamic and evolving real estate needs. The Capital Projects Fund in the graph below shows considerable spending in previous years but no projections for the future:



Even though capital funds may be backfilled as the broader funding picture becomes clearer and savings are freed up, the process is inherently reactive and capital needs-- by definition--are an afterthought. As Fresno County's Infrastructure grows older, planning will become crucial. The following chart shows the current age of Fresno County Buildings, with almost half over 36 years old:

Age Breakdown of Fresno County Properties

Data



Taken from Insurance Valuation Spreadsheet

Recent years have seen progress in the quality of the County's office space with the renovation of the Rowell Building for the District Attorney's Offices and the addition of

significant space at the former Pelco Campus. However, major challenges remain, and comprehensive strategic planning will become increasingly important. Fresno County's footprint will continue to evolve in coming years, and notable challenges will include appropriate use and renovations of the Hall of Records, capital maintenance on the aging County Plaza, the opening of the new jail, and perhaps most impactful, a new courthouse that is likely to reshape downtown Fresno. A chronic shortage of parking has plagued downtown employees for years, but is a headache that remains and needs to be resolved. The importance of thoughtful and deliberate strategic planning will only accelerate in coming years, and although we were provided preliminary planning documents, plans are not far enough along to guarantee their completion, let alone implementation. While the Grand Jury also acknowledges an emerging agenda from the County to reform its culture, efforts must be consolidated, and sufficient momentum achieved to gain lasting improvement.

Findings

Finding 1 (F1)

Fresno County owns marginal real estate that has little apparent purpose to the County, is not regularly maintained, and is poorly tracked.

Finding 2 (F2)

Fresno County's current ability to track, manage and plan for its current and future real estate needs is problematic given the county's size and complexity and has likely led to ownership of unnecessary property, less than timely processes, and financial loss.

Finding 3 (F3)

The challenges the County faces in reforming its real estate practices appear to be systemic and long-held and will require cultural change and ongoing commitment to accomplish.

Finding 4 (F4)

The current staffing level and organizational structure are likely less robust than that required to plan for, fully monitor, or oversee, the County's real estate holdings.

Finding 5 (F5)

Fresno County apparently lacks a comprehensive strategic plan to guide the management of its real estate assets, nor does it appear to have a comprehensive deferred capital maintenance plan adequately funded to fully maintain the County's buildings over time.

Finding 6 (F6)

The system currently used by the County to collect and maintain property data is inadequate given the number of identified errors and incompleteness of property history and other information.

Finding 7 (F7)

The processes for leasing property for County use as well as the process of leasing property to others are poorly tracked, fragmented, and likely create the opportunity for error and mistake.

Recommendations

Recommendation 1 (R1)

Develop a deliberate strategy for institutional change in how real estate is viewed, robust enough to effect lasting change which would start with the creation of a real estate/property strategic plan.

The Board of Supervisors and the County Administrative Officer should accomplish this by November 30, 2024. (F3, F4, F5)

Recommendation 2 (R2)

Review and reconcile all County owned real estate, so that an accurate, complete database is established that will aid in management and decision-making which would include the following:

Action Items	
1	Systematically enter all tax-exempt property transfers by the Assessor's Office.
2	Acquire deed reading software.

The Chief Administrative Officer, in conjunction with the Chief Operating Officer and the Director of Internal Services-Chief Information Officer, the Director of the Department of Public Works and Planning, and the Assessor-Recorder should accomplish this by November 30, 2024. (F2, F4, F6)

Recommendation 3 (R3)

Select or develop a robust data tool that will provide a foundation for planning and management to include at least the following data items:

Data Description		
1	Assessor's Parcel Number	11 Leasable for County income-generating property (Yes or No)
2	Building address	12 If Leasable -> Lease Number Reference
3	Description of property	13 Maintenance information, including responsibility
4	Date of acquisition	14 Is the property not available for use? If so, why?
5	Property size: - Acres	15 Information on upgrades, remodeling
6	Current use of property	16 Insurance coverage
7	Fresno County need (Mandatory, Not Needed)	17 Environmental risks such as asbestos, underground storage tanks or soil contamination
8	Used or vacant?	18 Demolition costs
9	If Vacant -> Year Vacated	19 Funding source and restrictions

10	Condition of land or building (e.g., not suitable for building not suitable for building occupancy, refurbishing, open land, reserved open space)	20	Fresno County Department
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The Chief Administrative Officer, the Chief Operating Officer, the Director of Internal Services-Chief Information Officer and other departments as necessary should accomplish this by December 31, 2024. (F2, F6)

Recommendation 4 (R4)

Standardize management and tracking of County owned properties leased to others which would :

1	Provide an overview of leases in the annual property management report in R6 below.
2	Standardize a procedure for cash receipts related to lease payments that all departments can use.
3	Implement policies to insure lease payments are made on a timely basis and what steps to follow when payments are not being made.

The Chief Administrative Officer in conjunction with the Chief Operating Officer, the Director of Internal Services-Chief Information Officer, the Director of the Department of Public Works and Planning, and the Auditor-Controller/Treasurer-Tax Collector should accomplish this by October 31, 2024. (F7)

Recommendation 5 (R5)

Standardize management and tracking of properties owned by others and leased to the County which would:

1	Develop an updated Fresno County property lease list which would include a unique identifier that would tie to the Controller’s lease listing report, so an easy comparison can be made between the Controller’s required report and the ISD lease report.
2	Review and reconcile all E-contracts for property leases to the ISD list to determine conflicts and resolve issues.
3	Use E-contracts to its advantage by including full, official documentation of leases, and implement a

	procedure by which the system is regularly updated.
4	Maintain a timeline matrix of all leases to be used in visioning the County's future footprint, strategic planning, and asset management.

The Chief Administrative Officer, in conjunction with the Chief Operating Officer, the Director of Internal Services -Chief Information Officer, and the Auditor-Controller/Treasurer-Tax Collector should accomplish this by October 31, 2024. (F7)

Recommendation 6 (R6)

Develop a Property/ Real Estate Management Report and create processes and controls that will regularly (at least annually) put property history, current status, condition and progress toward goals before the Board of Supervisors and senior managers.

The Board of Supervisors, the County Administrative Officer, and the Chief Operating Officer, should accomplish this by December 31, 2024. (F1, F2, F3, F6, F7)

Recommendation 7 (R7)

Create a property disposal policy that clearly establishes responsibility for property inventory and discourages the accumulation of un-needed real estate.

The Board of Supervisors and Chief Administrative Officer should accomplish this by October 31, 2024. (F1, F2, F4)

Recommendation 8 (R8)

Develop and use Geographic Information Systems (GIS) mapping to post all property owned and leased by Fresno County to the Fresno County website.

The Chief Administrative officer, the Chief Operating Officer, the Director of Internal Services-Chief Information Officer, and the Director of the Department of Public Works and Planning should accomplish this by November 30, 2024. (F1, F2, F6, F7)

Recommendation 9 (R9)

Develop a 3-year Capital Plan (at a minimum) for all major Fresno County projects with the input of all departments.

The Board of Supervisors and the County Administrative Officer should accomplish this by September 30, 2024. (F3, F5)

Recommendation 10 (R10)

Implement a Fresno County Building Assessment/ Needs Matrix to be reviewed yearly to help set building and property priorities

The County Administrative Officer in conjunction with the Chief Operating Officer, the Director of Internal Services-Chief Information Officer, and the Director of Public Works and Planning should accomplish this by December 31, 2024. (F1, F2, F3, F4)

Recommendation 11 (R11)

Establish standardized guidelines for space acquisitions beyond individual department preference that offers consistent quality of space and parking to all county employees based on their needs.

The Board of Supervisors, in conjunction with the County Administrative Officer and department heads should accomplish this by December 31, 2024. (F1, F2, F3, F4)

Request for Responses

California Penal Code section 933(c) requires comments from the governing body of a public agency subject to the Grand Jury's reviewing authority within 90 days of receipt of this report. Responses are required by the following:

- Fresno County Board of Supervisors (F1-F7; R1-R11)

California Penal Code section 933(c) requires comments from elected officers and agency heads subject to the Grand Jury's reviewing authority within 60 days of receipt of this report. The Grand Jury requires comments from the following:

- Fresno County Auditor-Controller/Treasurer-Tax Collector - (F7, R4), (F7, R5)

Fresno County Assessor-Recorder - (F2, F4, F6, R2)

California Penal Code section 933(a) allows for comments from responsible officers, agencies, or departments. The Grand Jury invites comments from the following:

- Fresno County Administrative Officer - (F1-F7; R1-R11)
- Fresno County Chief Operating Officer - (F1-F7; R1-R11)
- Fresno County Director of Internal Services Department - (F2, F4, F6, R2), (F2, F6, R3), (F7, R4), (F7, R5), (F1, F2, F6,F7, R8), (F1, F2, F3, F4, R10)
- Fresno County Director of Public Works and Planning - (F2, F4, F6, R2), (F7, R4), (F1, F2, F6,F7, R8), (F1, F2, F3, F4, R10)

Works Cited

County of Los Angeles. "2020 Strategic Asset Management Plan." March 6, 2020

County of Orange, California, Grand Jury 2014-2015. "Orange County Real Estate: Do They Know What They Have?"

County of Placer. "Five Year Capital Improvement Plan for Facilities, FY 2022-23 through FY 2026-27."

Randazzo, Anthony and John M. Pallatiello. "Knowing What You Own: An Efficient

Government How-To Guide for Managing State and Local Property Inventories."

The Reason Foundation. Policy Study 383, June 2010.

DISCLAIMER

Reports issued by the Civil Grand Jury do not identify individuals interviewed. Penal Code Section 929 requires that reports of the Grand Jury not contain the name of any person or facts leading to the identity of any person who provides information to the Civil Grand Jury.



FRESNO COUNTY GRAND JURY
FINAL REPORTS AND RESPONSES

RESPONSES TO REPORT #2

From

**THE FRESNO COUNTY
BOARD OF SUPERVISORS**

and

**THE FRESNO COUNTY
ADMINISTRATIVE OFFICE
CAO - PAUL NERLAND**

County of Fresno
Board of Supervisors
RESPONSE TO THE
2023-24
FRESNO COUNTY GRAND JURY
FINAL REPORT #2



**Toward Lasting Improvement:
A Review of Fresno County Vacant Property and Real Estate Practices**

Please find below the Fresno County Board of Supervisors' response to the 2023-24 Grand Jury Final Report No. 2 findings and recommendations. The County thanks the Grand Jury for its investigation and recommendations related to Fresno County's vacant property and real estate practices.

FINDINGS

- F1. Fresno County owns marginal real estate that has little apparent purpose to the County, is not regularly maintained, and is poorly tracked.**

Response:

The Board of Supervisors supports the County Administrative Officer's (CAO) responses to all Findings within this report. As indicated within the CAO's consolidated response to this report, leadership had already become aware of the shortcomings inherited from previous leadership and is actively working on corrections. This report confirms what current leadership is aware; however, it did give us additional details that is very helpful in addressing the issues, for which a dedicated temporary position has been developed and filled.

- F2. Fresno County's current ability to track, manage and plan for its current and future real estate needs is problematic given the county's size and complexity and has likely led to ownership of unnecessary property, less than timely processes, and financial loss.**

Response:

The Board of Supervisors partially agrees with the finding. See No. 1.

- F3. The challenges the County faces in reforming its real estate practices appear to be systemic and long-held and will require cultural change and ongoing commitment to accomplish.**

Response:

The Board of Supervisors partially agrees with the finding. See No. 1.

- F4. The current staffing level and organizational structure are likely less robust than that required to plan for, fully monitor, or oversee, the County's real estate holdings.**

Response:

The County is currently assessing the needs and staffing levels and is dedicated to ensuring they are appropriate.

F5. Fresno County apparently lacks a comprehensive strategic plan to guide the management of its real estate assets, nor does it appear to have a comprehensive deferred capital maintenance plan adequately funded to fully maintain the County's buildings over time.

Response:

The Board of Supervisors agrees with the finding. See No. 1.

F6. The system currently used by the County to collect and maintain property data is inadequate given the number of identified errors and incompleteness of property history and other information.

Response:

The Board of Supervisors agrees with the finding. See No. 1.

F7. The processes for leasing property for County use as well as the process of leasing property to others are poorly tracked, fragmented, and likely create the opportunity for error and mistake.

Response:

The Board of Supervisors agrees with the finding. See No. 1.

RECOMMENDATIONS

R1. Develop a deliberate strategy for institutional change in how real estate is viewed, robust enough to effect lasting change which would start with the creation of a real estate/property strategic plan.

The Board of Supervisors and the County Administrative Officer should accomplish this by November 30, 2024. (F3, F4, F5)

Response:

The Board of Supervisors supports the CAO's responses to all Recommendations within this report. There is a need to create a real estate/property strategic plan, and the County will develop a plan by November 30, 2024.

R2. Review and reconcile all County owned real estate, so that an accurate, complete database is established that will aid in management and decision-making which would include the following:

- 1. Systematically enter all tax-exempt property transfers by the Assessor's Office.**
- 2. Acquire deed reading software.**

The Chief Administrative Officer, in conjunction with the Chief Operating Officer and the Director of Internal Services-Chief Information Officer, the Director of the

Department of Public Works and Planning, and the Assessor-Recorder should accomplish this by November 30, 2024. (F2, F4, F6)

Response:

The Board of Supervisors agrees with the need to maintain a complete real estate/property database for all county owned property. By November 30, 2024, the County will develop policies that will allow for the sharing of information between departments and to ensure the database is updated on a timely manner following any real estate transaction.

The County will also evaluate software improvements to assist county departments in expediting land use decisions and locating deeds.

R3. Select or develop a robust data tool that will provide a foundation for planning and management to include at least the following data items:

- 1. Assessor's Parcel Number**
- 2. Building address**
- 3. Description of property**
- 4. Date of acquisition**
- 5. Property size: - Acres**
- 6. Current use of property**
- 7. Fresno County need (Mandatory, Not Needed)**
- 8. Used or vacant?**
- 9. If Vacant -> Year Vacated**
- 10. Condition of land or building (e.g., not suitable for building not suitable for building occupancy, refurbishing, open land, reserved open space)**
- 11. Leasable for County income-generating property (Yes or No)**
- 12. If Leasable -> Lease Number Reference**
- 13. Maintenance information, including responsibility**
- 14. Is the property not available for use? If so, why?**
- 15. Information on upgrades, remodeling**
- 16. Insurance coverage**
- 17. Environmental risks such as asbestos, underground storage tanks or soil contamination**
- 18. Demolition costs**
- 19. Funding source and restrictions**
- 20. Fresno County Department**

The Chief Administrative Officer, the Chief Operating Officer, the Director of Internal Services-Chief Information Officer and other departments as necessary should accomplish this by December 31, 2024. (F2, F6)

Response:

The Board of Supervisors agrees with the recommendation. The County will review and update the real estate/property database to consolidate all necessary information to allow for improved planning and management of county owned property by December 31, 2024.

R4. Standardize management and tracking of County owned properties leased to others which would:

- 1. Provide an overview of leases in the annual property management report in R6 below.**
- 2. Standardize a procedure for cash receipts related to lease payments that all departments can use.**
- 3. Implement policies to insure lease payments are made on a timely basis and what steps to follow when payments are not being made.**

The Chief Administrative Officer in conjunction with the Chief Operating Officer, the Director of Internal Services-Chief Information Officer, the Director of the Department of Public Works and Planning, and the Auditor-Controller/Treasurer-Tax Collector should accomplish this by October 31, 2024. (F7)

Response:

The Board of Supervisors agrees with the recommendation. The County will improve the management and tracking of leased properties and ensure financial compliance with the agreements. The County will implement these changes by October 31, 2024.

R5. Standardize management and tracking of properties owned by others and leased to the County which would:

- 1. Develop an updated Fresno County property lease list which would include a unique identifier that would tie to the Controller's lease listing report, so an easy comparison can be made between the Controller's required report and the ISD lease report.**
- 2. Review and reconcile all E-contracts for property leases to the ISD list to determine conflicts and resolve issues.**
- 3. Use E-contracts to its advantage by including full, official documentation of leases, and implement a procedure by which the system is regularly updated.**
- 4. Maintain a timeline matrix of all leases to be used in visioning the County's future footprint, strategic planning, and asset management.**

The Chief Administrative Officer, in conjunction with the Chief Operating Officer, the Director of Internal Services -Chief Information Officer, and the Auditor-Controller/Treasurer-Tax Collector should accomplish this by October 31, 2024. (F7)

Response:

The Board of Supervisors agrees with the recommendation to improve the management and tracking of property leased to the County. The County will do so by October 31, 2024.

R6. Develop a Property/ Real Estate Management Report and create processes and controls that will regularly (at least annually) put property history, current status, condition and progress toward goals before the Board of Supervisors and senior managers.

The Board of Supervisors, the County Administrative Officer, and the Chief Operating Officer, should accomplish this by December 31, 2024. (F1, F2, F3, F6, F7)

Response:

The Board of Supervisors agrees with the recommendation. The County will develop an annual report to be submitted to the Board, which will be implemented by December 31, 2024.

- R7. Create a property disposal policy that clearly establishes responsibility for property inventory and discourages the accumulation of un-needed real estate.**

The Board of Supervisors and Chief Administrative Officer should accomplish this by October 31, 2024. (F1, F2, F4)

Response:

The Board of Supervisors agrees with the recommendation. The County will create a policy that establishes responsibility for property inventory, discourages the accumulation of unused or underutilized real estate and ensures compliance with state law by October 31, 2024.

- R8. Develop and use Geographic Information Systems (GIS) mapping to post all property owned and leased by Fresno County to the Fresno County website.**

The Chief Administrative officer, the Chief Operating Officer, the Director of Internal Services-Chief Information Officer, and the Director of the Department of Public Works and Planning should accomplish this by November 30, 2024. (F1, F2, F6, F7)

Response:

The Board of Supervisors agrees with the need to create a GIS mapping system that has a layer of all County owned and leased property. This will be accomplished by November 30, 2024.

- R9. Develop a 3-year Capital Plan (at a minimum) for all major Fresno County projects with the input of all departments.**

The Board of Supervisors and the County Administrative Officer should accomplish this by September 30, 2024. (F3, F5)

Response:

The Board of Supervisors agrees with the need to create a capital plan. The County will engage outside planning experts for the creation of a comprehensive facilities master plan. The County does not anticipate completing the capital plan by September 30, 2024; however, the County will issue a Request for Proposal or Request for Quotation for this item by September 30, 2024.

- R10. Implement a Fresno County Building Assessment/ Needs Matrix to be reviewed yearly to help set building and property priorities.**

The County Administrative Officer in conjunction with the Chief Operating Officer, the Director of Internal Services-Chief Information Officer, and the Director of Public Works and Planning should accomplish this by December 31, 2024. (F1, F2, F3, F4)

Response:

The Board of Supervisors agrees with the need to implement a property needs assessment policy. The County will complete by December 31, 2024.

- R11. Establish standardized guidelines for space acquisitions beyond individual department preference that offers consistent quality of space and parking to all county employees based on their needs.**

The Board of Supervisors, in conjunction with the County Administrative Officer and department heads should accomplish this by December 31, 2024. (F1, F2, F3, F4)

Response:

The Board of Supervisors agrees with the need to create guidelines for space acquisition. The County will complete by December 31, 2024.

This concludes the Board of Supervisors' comments on the Findings and Recommendations of the Fresno County Grand Jury Report No. 2.



County of Fresno

COUNTY ADMINISTRATIVE OFFICE
PAUL NERLAND
COUNTY ADMINISTRATIVE OFFICER

July 9, 2024

The Honorable Houry A. Sanderson, Presiding Judge
Fresno County Superior Court
1100 Van Ness Avenue
Fresno, CA 93724-0002

RE: Grand Jury Report No. 2 “Toward Lasting Improvement: A Review of Fresno County Vacant Property and Real Estate Practices”

Dear Judge Sanderson:

The Grand Jury’s report reflects findings and recommendations regarding County Vacant Property and Real Estate Practices. I thank the Grand Jury for their diligence and am responding to Finding F1 – F7 and Recommendations R1 – R11 as requested by the Grand Jury. Given this report requests responses from several County departments (Auditor-Controller/Treasurer-Tax Collector, Assessor-Recorder, Chief Operating Officer, Director of Internal Services, and Director of Public Works and Planning), I have prepared a consolidated response for all the aforementioned departments as detailed below:

FINDINGS

F1. Fresno County owns marginal real estate that has little apparent purpose to the County, is not regularly maintained, and is poorly tracked.

The County partially agrees with the finding as leadership had already become aware of the shortcomings inherited from previous leadership and is actively working on corrections. This report confirms what we already know; however, it did give us additional details that is very helpful in addressing the issues, for which a consultant has been retained.

F2. Fresno County’s current ability to track, manage and plan for its current and future real estate needs is problematic given the county’s size and complexity and has likely led to ownership of unnecessary property, less than timely processes, and financial loss.

The County partially agrees with this finding. See No. 1

- F3. The challenges the County faces in reforming its real estate practices appear to be systemic and long-held and will require cultural change and ongoing commitment to accomplish.**

The County partially agrees with this finding. See No. 1

- F4. The current staffing level and organizational structure are likely less robust than that required to plan for, fully monitor, or oversee, the County's real estate holdings.**

The County is currently assessing the needs and staffing levels and is dedicated to ensuring it is appropriate.

- F5. Fresno County apparently lacks a comprehensive strategic plan to guide the management of its real estate assets, nor does it appear to have a comprehensive deferred capital maintenance plan adequately funded to fully maintain the County's buildings over time.**

The County agrees with this finding. See No. 1

- F6. The system currently used by the County to collect and maintain property data is inadequate given the number of identified errors and incompleteness of property history and other information.**

The County agrees with this finding. See No. 1

- F7. The processes for leasing property for County use as well as the process of leasing property to others are poorly tracked, fragmented, and likely create the opportunity for error and mistake.**

The County agrees with this finding. See No. 1

RECOMMENDATIONS

- R1. Develop a deliberate strategy for institutional change in how real estate is viewed, robust enough to effect lasting change which would start with the creation of a real estate/property strategic plan.**

The Board of Supervisors and the County Administrative Officer should accomplish this by November 30, 2024. (F3, F4, F5)

The County agrees with the need to create a real estate/property strategic plan and will develop a plan by November 30, 2024.

R2. Review and reconcile all County owned real estate, so that an accurate, complete database is established that will aid in management and decision-making which would include the following:

- 1. Systematically enter all tax-exempt property transfers by the Assessor's Office.**
- 2. Acquire deed reading software.**

The Chief Administrative Officer, in conjunction with the Chief Operating Officer and the Director of Internal Services-Chief Information Officer, the Director of the Department of Public Works and Planning, and the Assessor-Recorder should accomplish this by November 30, 2024. (F2, F4, F6)

The County agrees with the need to maintain a complete real estate/property database for all county owned property. By November 30, 2024, the County will develop policies that will allow for the sharing of information between departments and to ensure the database is updated on a timely manner following any real estate transaction.

The County will also evaluate software improvements to assist county departments in expediting land use decisions and locating deeds.

R3 Select or develop a robust data tool that will provide a foundation for planning and management to include at least the following data items:

- 1. Assessor's Parcel Number**
- 2. Building address**
- 3. Description of property**
- 4. Date of acquisition**
- 5. Property size: - Acres**
- 6. Current use of property**
- 7. Fresno County need (Mandatory, Not Needed)**
- 8. Used or vacant?**
- 9. If Vacant -> Year Vacated**
- 10. Condition of land or building (e.g., not suitable for building not suitable for building occupancy, refurbishing, open land, reserved open space)**
- 11. Leasable for County income-generating property (Yes or No)**
- 12. If Leasable -> Lease Number Reference**
- 13. Maintenance information, including responsibility**
- 14. Is the property not available for use? If so, why?**
- 15. Information on upgrades, remodeling**
- 16. Insurance coverage**
- 17. Environmental risks such as asbestos, underground storage tanks or soil contamination**
- 18. Demolition costs**
- 19. Funding source and restrictions**

20. Fresno County Department

The Chief Administrative Officer, the Chief Operating Officer, the Director of Internal Services-Chief Information Officer and other departments as necessary should accomplish this by December 31, 2024. (F2, F6)

The County agrees with the recommendation and will review and update the real estate/property database to consolidate all necessary information to allow for improved planning and management of county owned property by December 31, 2024.

R4 Standardize management and tracking of County owned properties leased to others which would:

- 1. Provide an overview of leases in the annual property management report in R6 below.**
- 2. Standardize a procedure for cash receipts related to lease payments that all departments can use.**
- 3. Implement policies to insure lease payments are made on a timely basis and what steps to follow when payments are not being made.**

The Chief Administrative Officer in conjunction with the Chief Operating Officer, the Director of Internal Services-Chief Information Officer, the Director of the Department of Public Works and Planning, and the Auditor-Controller/Treasurer-Tax Collector should accomplish this by October 31, 2024. (F7)

The County agrees with the recommendation to improve the management and tracking of leased properties and to ensure financial compliance with the agreements. The County will implement these changes by October 31, 2024.

R5 Standardize management and tracking of properties owned by others and leased to the County which would:

- 1. Develop an updated Fresno County property lease list which would include a unique identifier that would tie to the Controller's lease listing report, so an easy comparison can be made between the Controller's required report and the ISD lease report.**
- 2. Review and reconcile all E-contracts for property leases to the ISD list to determine conflicts and resolve issues.**
- 3. Use E-contracts to its advantage by including full, official documentation of leases, and implement a procedure by which the system is regularly updated.**
- 4. Maintain a timeline matrix of all leases to be used in visioning the County's future footprint, strategic planning, and asset management.**

The Chief Administrative Officer, in conjunction with the Chief Operating Officer, the Director of Internal Services -Chief Information Officer, and the Auditor-

**Controller/Treasurer-Tax Collector should accomplish this by October 31, 2024.
(F7)**

The County agrees with the recommendation to improve the management and tracking of property leased to the County and will implement by October 31, 2024.

- R6 Develop a Property/ Real Estate Management Report and create processes and controls that will regularly (at least annually) put property history, current status, condition and progress toward goals before the Board of Supervisors and senior managers.**

The Board of Supervisors, the County Administrative Officer, and the Chief Operating Officer, should accomplish this by December 31, 2024. (F1, F2, F3, F6, F7)

The County agrees with the recommendation to issue an annual report to the Board of Supervisors and will implement by December 31, 2024.

- R7 Create a property disposal policy that clearly establishes responsibility for property inventory and discourages the accumulation of un-needed real estate.**

The Board of Supervisors and Chief Administrative Officer should accomplish this by October 31, 2024. (F1, F2, F4)

The County agrees with the recommendation and will create a policy that establishes responsibility for property inventory, discourages the accumulation of unused or underutilized real estate and ensures compliance with state law by October 31, 2024.

- R8 Develop and use Geographic Information Systems (GIS) mapping to post all property owned and leased by Fresno County to the Fresno County website.**

The Chief Administrative officer, the Chief Operating Officer, the Director of Internal Services-Chief Information Officer, and the Director of the Department of Public Works and Planning should accomplish this by November 30, 2024. (F1, F2, F6, F7)

The County agrees with the need to create a GIS mapping system that has a layer of all County owned and leased property. This will be accomplished by November 30, 2024.

- R9 Develop a 3-year Capital Plan (at a minimum) for all major Fresno County projects with the input of all departments.**

The Board of Supervisors and the County Administrative Officer should accomplish this by September 30, 2024. (F3, F5)

The County agrees with the need to create a capital plan and will engage outside planning experts for the creation of a compressive facilities master plan. The County will issue the Request for Proposal or Request for Quotation for this item by September 30, 2024.

R10 Implement a Fresno County Building Assessment/ Needs Matrix to be reviewed yearly to help set building and property priorities.

The County Administrative Officer in conjunction with the Chief Operating Officer, the Director of Internal Services-Chief Information Officer, and the Director of Public Works and Planning should accomplish this by December 31, 2024. (F1, F2, F3, F4)

The County agrees with the need to implement a property needs assessment policy and will complete by December 31, 2024.

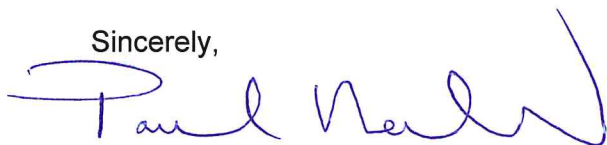
R11 Establish standardized guidelines for space acquisitions beyond individual department preference that offers consistent quality of space and parking to all county employees based on their needs.

The Board of Supervisors, in conjunction with the County Administrative Officer and department heads should accomplish this by December 31, 2024. (F1, F2, F3, F4)

The County agrees with the need to create guidelines for space acquisition and will complete by December 31, 2024.

This concludes the County Administrative Officer's comments on the Findings and Recommendations of the Fresno County Grand Jury Report No. 2, June 2024.

Sincerely,



Paul Nerland
County Administrative Officer
County of Fresno



FRESNO COUNTY GRAND JURY
FINAL REPORTS AND RESPONSES

REPORT #3

GONE PHISHING:

How the City of Fresno
Fell Victim to a \$613,737.00 Scam



The Fresno County Civil Grand Jury

2023 - 2024

GONE PHISHING: HOW THE CITY OF FRESNO FELL VICTIM TO A \$613,737 SCAM

Phishing: Malicious emails cyber criminals send hoping to gain access to money or to important data and systems.

source: www.fresno.gov/information/services/cybersecurity-tips/

Summary

This report investigated and assessed the internal controls and management practices of the City of Fresno (City) Finance Department and made recommendations for improvement. This investigation was prompted by a “phishing scam” that occurred in 2020 and resulted in a loss of over \$600,000 to the City. Over the past four years, little information has been released to the public. An independent CPA firm, Price Paige & Company, was contracted to evaluate the City’s Finance Department effectiveness of internal controls. Their “Report on Internal Control - Accounts Payable and Disbursements” was issued on November 16, 2023. However, it did not directly address many of the concerns raised in this report.

To determine if recommendations are needed, it was necessary to 1) examine the Finance Department’s internal controls and practices in place at the time of the “phishing scam”, 2) determine how existing internal controls at the time failed to prevent the loss, 3) review how internal controls and policies have been changed/improved since that time, and 4) assess the probability of similar losses in the future.

Methodology

The relevant and material facts cited in this report were collected during Grand Jury interviews of both current and former City employees. These interviews, along with the Jury’s examination of City records and documents, agreed with the facts being reported. The jury also interviewed a representative of the CPA firm contracted by the City to

evaluate the Finance Department's internal controls. This evaluation included assessing the reliability of financial reporting, the safeguarding of City assets, and compliance with current laws and regulations.

The “Phishing” Scam

In 2020, the City was the victim of a brazen fraud that resulted in a loss of \$613,737. If established city policy had been followed, this loss would not have occurred. Instead, policies designed specifically to guard against this kind of fraud were not followed which made it possible for two large payments, made over the course of several months, to be sent to a false bank account.

In December 2018, the Fresno City Council approved a contract for the construction of a new police substation in southeast Fresno (note: the total cost of the project and the name of the contractor doing the work is a public record). Construction began in April 2019. The contractor had requested that installment payments be made by physical checks. On January 6, 2020, the City Finance Department received an email from a perpetrator who identified as an “accounting specialist” for the construction company. The perpetrator requested a change to the installment payments method. Instead of physical checks, the construction company was now asking to receive payments via an Automated Clearing House (ACH) fund transfer (note: according to city staff, a vendor requesting a change of payment method from check to ACH is not common). The Finance Department, assuming the perpetrator was an actual construction company employee, emailed an ACH form to the perpetrator who promptly completed and returned the form by email. The fraudulent emails appeared to come from the legitimate contractor, but they did not.

Investigative Notes: the jury observed the domain extension of the fraudulent email addresses ended in “.us.” However, the legitimate contractor’s email address ended in “.com.” Even though an early response by the City to one of these fraudulent email addresses was returned as “undeliverable”, the fraud was not detected. The jury also observed that, during the multiple attempts to deceive City staff, the perpetrators gave multiple bank account numbers located in different states. This, too, did not alert city staff to the fraud.

On January 30, 2020, the Finance Department authorized an electronic fund transfer (EFT) of \$324,473 to be sent to the new account they believed belonged to the legitimate contractor. Five weeks later, on March 5, the Finance Department authorized an additional \$289,264 EFT payment bringing the total of fraudulent payments to \$613,737.

Upon learning of the fraud, City officials made unsuccessful attempts to recover the fraudulent payments. The City conducted an internal investigation and determined that there was no evidence of criminal actions committed by City employees. During this time, COVID 19 policies were in effect and management of this incident was difficult. When City Finance Department staff alerted the Fresno Police Department of the fraud, a criminal investigation was promptly initiated. The FBI became involved when it was suspected that the perpetrators may be from out-of-state. It was later learned that the perpetrators belonged to an international organized crime ring. Other municipal governments throughout the nation were also defrauded in a similar manner.

At no time did the perpetrators submit fraudulent invoices. Based on a review of documents and interviews, it appears they simply scoured the internet for large construction contracts being awarded by local governments. Using real data gleaned from the City Council agendas and minutes, they were able to identify this particular contract, used what information was publicly available, and initiated a successful phishing scheme on unsuspecting city employees.

Glossary

ACH	Automated Clearing House. Allows electronic money transfers between banks. A type of EFT (electronic funds transfer). An ACH requires additional steps in the verification process and transfers funds more securely.
A/P	Accounts Payable. Refers to the business department or division that is responsible for making payments owed by the agency to suppliers and other creditors
CPA	Certified Public Accountant. A licensed accounting professional.
EFT	Electronic Funds Transfer. A way to move money across an online network, between banks and people. EFT payments are frequently used in place of paper-based payment methods, like checks and cash.
Prenote (Prenotification)	A zero-dollar test to verify the accuracy of bank account information (routing number, account number, and account type).

Investigation

Internal Control Policies In Place at the Time of the Scam.

At the time of the incident, the City's Finance Department had relevant internal control policies/practices in place. Some policies were not formally written and were communicated to staff through an informal and undocumented training process.

Ultimately, the policies (both written and unwritten), if followed, would have prevented this loss from occurring. For example:

- A Any time an established city vendor requested the City start making payment via electronic funds transfer (EFT) or a new bank account number is used, the Finance Department will first authenticate that the Automated Clearing House (ACH) form submitted by the vendor is actually from the vendor of record. Next, a zero-dollar pre-notification is sent by the Finance Department to the recipient bank to verify the bank information matches the information inputted into the City's financial system. A successful "prenote" would confirm that the new bank routing and account numbers match.

- B At the close of the business day, procedure requires a different staff member to review all "large disbursements" to confirm/verify payment details. When a vendor was being paid via a new method or account number, the successful processing of a "prenote" would also be confirmed.

Failure of the Existing Internal Controls

The Finance Department's two relevant "policies" described above failed for the most basic of reasons: the authentication of the ACH form did not happen, and the end of day large disbursements confirmation procedure was not performed.

The ACH Authentication Did Not Happen

An initial prenote was attempted but failed (indicating that the account number being used did not belong to the legitimate vendor). In light of the initial pre-note failure, Department policy required a second pre-note attempt. However, contrary to policy, no second attempt was made, and the bank account information was not verified. Notably, in an attempt to process a successful pre-note, the perpetrators had utilized multiple bank account numbers located in different states. Unfortunately, these multiple accounts did not create a sense of suspicion on the part of city staff.

The Final Safeguard: The End of Day Check Register Review Was Not Implemented.

The routine “end of day” check register review procedure, intended as a safeguard inspection of larger payments, would have revealed that the required prenote process had not been executed successfully. This discovery would have stopped this payment and any future payments from being sent. The procedure was not implemented.

Review of Finance Department Policy Regarding Electronic Payment Procedures

The Finance Department Electronic Funds Transfers procedure was largely unwritten at the time of the incident. The primary goal of the policy is to ensure EFTs are initiated, executed, and approved securely based on a legitimate ACH form. The jury noted the City’s preferred method of payment to vendors is EFT. When new vendors are entered into the City’s financial system, and no EFT is requested, they are set up to receive a paper check by default. In this case, the legitimate contractor had specifically requested payment via paper check.

Training for the handling of these important money transfers was conducted verbally, and it appears that not all Finance Department employees were properly trained.

The Finance Department placed no dollar limits or enhanced accounting controls when ACH changes were recently made. The unwritten procedures (in effect at the time of the scam) specified the authority needed to approve payment change requests, required the use of a prenote to verify new account information, required that two staff members were needed to make payment method changes, and that staff contact the vendor by telephone to confirm that their payment method change request is legitimate.

The Grand Jury noted from multiple interviews that It is not common for vendors to request payment changes from physical check to EFT. As noted previously, suspicions should have been raised when the perpetrators asked for multiple ACH forms for different bank accounts located in different states.

The City's Response to the Incident

According to witness interviews, the incident resulted in serious reflection and introspection within the Finance Department. Awareness of the potential for future fraud has been significantly heightened.

In response to the phishing scam, the Finance Department adopted another critical step in its authentication policy. City staff will continue to contact vendors by phone to verify all ACH change requests, but now they must only use the telephone number already on file in

the City's data system (entered at the time of the Vendor contracting). Employees are now expressly forbidden to rely on the phone number provided on the ACH request form.

An independent CPA firm was contracted to evaluate the City's Finance Department effectiveness of internal controls, the reliability of financial data, safeguarding of assets, and compliance with laws and regulations. At the time of this report, the CPA's recommendations for improvements were being considered by the city. The Grand Jury concurs that the Finance Departments internally updated procedures appear appropriate for preventing this type of fraud from occurring again if they are competently implemented by city staff.

The Probability of Similar Losses in the Future

The addition of the new internal control procedure (contacting vendors by telephone using only the phone number already on file) is an improvement. However, this additional safeguard can/will fail for the same reasons as in 2020: internal control policies must be followed by department staff. Without strict observation and enforcement of new and existing internal controls, there is a high probability of similar losses in the future.

Despite multiple ACH/EFT forms, multiple bank account numbers in different states, and different email address domain endings, conspicuous red flags within the Finance Department were apparently not noticed. Ultimately, an increase in vigilance and a recognition that the City of Fresno is engaged in an ongoing cybersecurity arms race with sophisticated criminals will be key to their success. Future attacks will most likely involve the use of AI (Artificial Intelligence) and voice recognition software.

More importantly, the Grand Jury believes most errors and mistakes happen because the employees work in complex systems with a myriad of rules and procedures. Human error is the starting point of an investigation but rarely its conclusion. Therefore, the Jury encourages the City to develop human error prevention and reduction strategies to protect themselves from falling victim to fraudulent activities (see Recommendations).

The Grand Jury is satisfied the current Finance Department staff is dedicated to fulfilling its mission “*to ensure the city’s financial integrity . . . and to guide fiscal policy and advocate for sound business processes*” (www.fresno.gov/finance).

Findings

California Penal Code §933(a) mandates that a grand jury report issue findings and recommendations.

- F1 The Finance Department did not identify, or appropriately act upon, indications of fraud in this specific phishing attack.
- F2 The Finance Department policies, if correctly followed, would have prevented this fraud from occurring.
- F3 Upon learning of the fraud, City officials immediately began to ascertain the magnitude of the loss, the reasons why the loss occurred, and the steps to ensure a fraud of this nature would not occur again.
- F4 Today, the Finance Department staff appears to be following policy and exhibiting sound business practices.

Recommendations

- R1 By December 31, 2024, the Fresno City Council should adopt a written city-wide policy specific to indicators of fraud similar to the *Department of Defense, Inspector General's* website ([Fraud Detection Resources \(dodig.mil\)](https://www.dodig.mil)).
- R2 By December 31, 2024, the Fresno City Council should ensure only the vendor provided data contained in approved contract documents is utilized when engaging in any financial transaction.
- R3 By December 31, 2024, the Fresno City Council should ensure changes to a vendor's bank account are verified and reviewed by multiple staff members.
- R4 By December 31, 2024, the Fresno City Council should adopt a city-wide written procedure for changing ACH payments including dollar limits and appropriate accounting controls.
- R5 By December 31, 2024, the Fresno City Council should ensure that changes to an existing vendor payment method (i.e., physical check to electronic fund transfers) is approved by the Director of Finance.
- R6 By December 31, 2024, the Fresno City Council should ensure that only the Director of Finance is authorized to bypass the prenote process.
- R7 By March 1, 2025, the Fresno City Council should develop a single, current, authoritative source of Finance Department written policies (including those listed in R1 - R6) for which its employees are held responsible.
- R8 By March 1, 2025, the Fresno City Council should enjoin the Finance Department, to the extent possible, to avoid relying on "understood" or verbal policies.

- R9 By March 1, 2025, the Fresno City Council should contract with an outside firm to conduct penetration “phishing” tests that identify vulnerabilities in the system.
- R10 By March 1, 2025, the Fresno City Council should direct the city manager to provide a written report to the council addressing all the recommendations made in the independent CPA’s “Report on Internal Control - Accounts Payable and Disbursements” (issued on 11/16/2023).
- R11 By June 30, 2025, the Fresno City Council should ensure all city-wide finance/fiscal affair managers and supervisors attend annual human error prevention and reduction strategy training.

Required Responses

The following responses are required pursuant to Penal Code Sections 933 and 933.05 from the following governing body within 90 days:

- The Fresno City Council (F1-F4, R1-R11)

Invited Responses

The following responses are invited pursuant to Penal Code Sections 933(a) and 933.05 from the following elected official within 60 days:

- The Mayor of Fresno (F1-F4, R1-R11)

Disclaimer

Reports issued by the Civil Grand Jury do not identify individuals interviewed. Penal Code Section 929 requires that reports of the Grand Jury not contain the name of any person or facts leading to the identity of any person who provides information to the Civil Grand Jury.



FRESNO COUNTY GRAND JURY
FINAL REPORTS AND RESPONSES

RESPONSES TO REPORT #3

From
MAYOR DYER
and the
THE CITY OF FRESNO



OFFICE OF THE MAYOR AND CITY MANAGER

June 06, 2024

Honorable Houry A. Sanderson, Presiding Judge
Fresno County Superior Court
1100 Van Ness Avenue
Fresno, California 93724-0002

Re: Responses to Grand Jury 2023-24 Report No. 3

Dear Judge Sanderson:

As Mayor, I appreciate the opportunity as an “Invited Respondent” to address the Fresno County Civil Grand Jury’s (Grand Jury) Report No. 3 regarding the review and assessment of the City of Fresno’s (City) Finance Department, along with several recommendations for improvement. First and foremost, I would like to convey deep appreciation to the Grand Jury for focusing its attention on the City’s internal controls and management practices, prompted by a 2020 phishing scam.

For the benefit of the Grand Jury and the general public I would be remiss if I didn’t point out that Fresno is a Charter City under a ‘Strong Mayor’ form of government. In Fresno, the mayor is the chief executive officer elected at-large and is responsible for the proper and efficient administration of all City affairs. In the Strong Mayor form of government, the City Council is the legislative body. The council’s powers and duties include consideration of land use decisions, as well as other actions taken by ordinance and resolution at publicly noticed City Council meetings.

With this in mind, I would like to offer clarification as it relates to any potential misunderstanding outlined in Report No. 3 regarding the appropriate body to act on recommended improvements. For example, the Finance Director reports to the City Manager and it is the Administration not the City Council who has authority to implement and approve new administrative orders and policies. For this reason, together with City Manager Georgeanne White, who directs the day-to-day operations for City departments, we are offering this joint response.

It is also important to note the fraudulent activity occurred in 2020, under a previous Administration and during the height of the COVID-19 work-from-home era. Upon being made aware of the incident, we took immediate action and worked with the appropriate authorities, including the Federal Bureau of Investigation, which was investigating the Fresno case, as well as other similar cases across the country perpetrated by the same suspects. Additionally, a new

Controller and Finance Director was hired in 2022. Furthermore, in 2023 the City upgraded its financial software, with special attention to putting rigorous controls in place.

Again, we are appreciative of the Grand Jury's time and attention in interviewing various staff at the City and we are pleased to note "The Grand Jury concurs that the Finance Department's internally updated procedures appear appropriate for preventing this type of fraud from occurring again if they are competently implemented by City staff." Please see the following responses to the specified findings and recommendations, which the Grand Jury invited responses within the next 60-days, but no later than August 3, 2024.

FINDINGS: Pursuant to the Grand Jury's request, the Respondents offer the following responses to the four findings (F1-F4).

F1: The Finance Department did not identify, or appropriately act upon, indications of fraud in this specific phishing attack.

RESPONSE: Respondents agree with this finding.

F2: The Finance Department policies, if correctly followed, would have prevented this fraud from occurring.

RESPONSE: Respondents agree with this finding.

F3: Upon learning of the fraud, City officials immediately began to ascertain the magnitude of the loss, the reasons why the loss occurred, and the steps to ensure a fraud of this nature would not occur again.

RESPONSE: Respondents agree with this finding.

F4: Today, the Finance Department staff appears to be following policy and exhibiting sound business practices.

RESPONSE: Respondents agree with this finding. Additionally, policies and training have been enhanced and those are being adhered to as well.

RECOMMENDATIONS: Pursuant to the Grand Jury's request, the Respondents offer the following responses to recommendations R1-R11.

R1: By December 31, 2024, the Fresno City Council should adopt a written city-wide policy specific to indicators of fraud similar to the Department of Defense, Inspector General's website (Fraud Detection Resources (dodig.mil)).

RESPONSE: The City's Information Services Department maintains www.fresno.gov/information/services/cybersecurity-tips/

R2: By December 31, 2024, the Fresno City Council should ensure only the vendor provided data contained in approved contract documents is utilized when engaging in any financial transaction.

RESPONSE: This practice has already been implemented and incorporated into procedure documentation whereby staff solely utilize contact information provided by the vendor during initial vendor setup, when communicating on any payment changes.

R3: By December 31, 2024, the Fresno City Council should ensure changes to a vendor's bank account are verified and reviewed by multiple staff members.

RESPONSE: This practice is currently in place where a multi-layered approval process is required, involving multiple staff members' approval for any changes to vendor bank account information.

R4: By December 31, 2024, the Fresno City Council should adopt a city-wide written procedure for changing ACH payments including dollar limits and appropriate accounting controls.

RESPONSE: The Finance Department has written procedures that rely on best practice accounting controls when processing EFT/ACH payments.

R5: By December 31, 2024, the Fresno City Council should ensure that changes to an existing vendor payment method (i.e., physical check to electronic fund transfers) is approved by the Director of Finance.

RESPONSE: The Finance Director has approved procedures for payment method changes, ensuring that the methodologies and practices designed incorporate appropriate controls for safeguarding assets, when appropriately executed. This includes having multiple staff within the Finance department involved in the approval process for these types of changes.

R6: By December 31, 2024, the Fresno City Council should ensure that only the Director of Finance is authorized to bypass the prenote process.

RESPONSE: City procedures no longer allow for bypassing the prenote process for account verification.

R7: By March 1, 2025, the Fresno City Council should develop a single, current, authoritative source of Finance Department written policies (including those listed in R1 - R6) for which its employees are held responsible.

RESPONSE: The Finance Department has developed written procedures for critical accounting controls and staff training occurs to ensure consistent understanding and application.

R8: By March 1, 2025, the Fresno City Council should enjoin [instruct] the Finance Department, to the extent possible, to avoid relying on "understood" or verbal policies.

RESPONSE: The Finance Department has developed written procedures for critical accounting controls and staff training occurs to ensure consistent understanding and application.

R9: By March 1, 2025, the Fresno City Council should contract with an outside firm to conduct penetration "phishing" tests that identify vulnerabilities in the system.

RESPONSE: Network penetration testing has been conducted once a year by a 3rd party since at least 2006. This exceeds the once every two-year industry best practice. Additionally, the city conducts internal testing as well.

The City conducts two phishing campaigns per year, exceeding the one time per year industry standard.

R10: By March 1, 2025, the Fresno City Council should direct the city manager to provide a written report to the council addressing all the recommendations made in the independent CPA's "Report on Internal Control - Accounts Payable and Disbursements" (issued on 11/16/2023).


RESPONSE: The City Council Finance and Audit Committee received an update on the "Report on Internal Control – Accounts Payable and Disbursements" at the most recent meeting on May 13, 2024, and will continue to receive progress updates at subsequent meetings.

R11: By June 30, 2025, the Fresno City Council should ensure all city-wide finance/fiscal affair managers and supervisors attend annual human error prevention and reduction strategy training.


RESPONSE: Cyber Security awareness training is provided annually to all existing staff, and new staff as part of the onboarding process. The City's Cybersecurity Division also assigned ad-hoc training as appropriate, in addition to dual authentication, training, videos and tips on the City's website. This Division aims to keep cybersecurity on top of the minds of all employees to enhance our digital defenses with routine emails to all City employees. The May 2024 topic, for example, was Phishing, and pointed out that while the City maintains systems to help protect the City's networks and computers, it is the employees who are the most important line of defense. As mentioned previously, in 2022, the City also upgraded its financial software, with improved controls in place.

Again, we appreciate the Grand Jury's interest and attention to the long-term financial health of the City of Fresno. Please do not hesitate to contact us with any questions or concerns.

Sincerely,



Jerry P. Dyer
Mayor



Georgeanne A. White
City Manager



FRESNO COUNTY GRAND JURY
FINAL REPORTS AND RESPONSES

REPORT #4

EAT AT YOUR OWN RISK:

The Quiet Reality
of Health Inspections in Fresno County

The Fresno County Civil Grand Jury

2023-2024

Eat At Your Own Risk:

The Quiet Reality of Health Inspections in Fresno County

(INSERT DATE OF RELEASE)

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Summary

The Fresno County Civil Grand Jury received a citizen complaint regarding unsanitary conditions at several local restaurants. An investigative committee was formed and began by reviewing inspection reports for the restaurants cited in the complaint followed by a random sampling of food establishments in the county. Several areas of concern surfaced: a lack of violation enforcement; inconsistency in code enforcement; a failure to collect fees for permits and re-inspections; facilities operating without a current permit; and facilities lacking a Food Safety Certification or Food Handler Card compliance.

In considering these concerns, the Grand Jury identified deficiencies in the current processes and procedures within the Fresno County Department of Public Health's Environmental Health Division (EHD), and the recommendations in this report respond to those deficiencies. The Grand Jury's objective is to promote accountability and transparency in the EHD, with the goal of increasing food safety and public health.

Some of the important deficiencies we found were the following:

- The software system currently used does not meet the needs of EHD and does not perform as promised;
- The number of food inspectors has not kept up with the exponential increase in the number of food establishments;

- The fees charged for operating permits, inspections, and re-inspections appear to be inadequate to cover their costs.
- A lack of standardization and supervisor support leads to subjective and inconsistent enforcement;
- EHDs' website is difficult for the public to locate and navigate. Restaurant inspections themselves are extremely hard to find. Some reports are not up-to-date, have no inspection information, or show "No Data Returned."

INTRODUCTION

"Foodborne illness in the United States is a major cause of personal distress, preventable death, and avoidable economic burden. The food industry and regulatory authorities share responsibility for ensuring that food provided to the consumer is safe and does not become a cause of disease outbreak or contribute to the transmission of communicable diseases. This shared responsibility extends to ensuring that consumer expectations are met and that the food is unadulterated, prepared in a clean environment, and honestly presented." (California Retail Food Code preface January 2022)

Every day countless individuals go to eating establishments in Fresno County whether they are sit-down restaurants, drive-through facilities, county fairs, food trucks, or other venues. The public eats out, relying on the assumption that the Environmental Health Division of the Fresno County Department of Public Health protects us from

unsafe conditions. But how well does the EHD do its job? The Fresno County Civil Grand Jury considered that question in the course of investigating the EHD.

METHODOLOGY

In conducting its investigation, the Grand Jury interviewed persons who are knowledgeable of the food inspection process, accompanied several food inspectors on inspections of food facilities, and reviewed other California counties' public health or environmental health websites that describe that county's food safety programs, policies, and restaurant inspections.

DISCUSSION

Fresno County's Department of Public Health is divided into several divisions, including the EHD, which is responsible for the inspection and oversight of approximately 11,000 facilities. The EHD is not only charged with inspecting food establishments but also swimming pools, water wells, landfills, hazardous materials handlers, underground storage tanks, and above-ground storage tanks that come under Certified Unified Program Agency (CUPA) authority.¹ EHD conducts more than 18,000 inspections each year both in the course of its regular business and in response to consumer complaints. The Grand Jury's investigation focused only on EHD's responsibilities related to restaurant facilities, not on mobile food units or cottage food facilities or any other of the other industries in EHD's area of responsibility.

¹ Certified Unified Program Agency (CUPA): A state agency authorized to carry out several of the various hazardous materials, above and underground storage tanks, regulatory programs administered by the state and city. (resource Cal CUPA)

Software System

One of the biggest frustrations for EHD inspectors is the inability of the software to live up to the requirements of the EHD inspector program, and the Grand Jury has noted frustrations expressed by inspectors with regard to the currently utilized system. Fresno County EHD purchased the software program in 2020. While some of the software issues have been addressed and fixed at a significant cost to Fresno County, many needed functions are not in the program and continue to frustrate inspectors and administrative personnel.

The software system was intended to enable food inspectors to complete their reports in real time while doing the inspection, which does not appear to happen. Completing the inspection form on the software system takes up to twice the time it takes to complete a handwritten report. Moreover, the software only works on Wi-Fi and not cellular data. More often than not, the software will not load to the tablets supplied by EHD, so food inspectors must complete the food inspection reports at a later time. When the software does load, inspectors often have to use their cell phones as Wi-Fi hotspots to get internet access. Additionally, for at least a year after it went live, the software system would not generate bills to food facilities for the annual permit fees, so fees went unpaid. This issue was fixed, but in 2023, the software system began to double-bill facilities but not bill at all for re-inspections. As a result, some of the legitimate fees were forgiven at a substantial cost to EHD. The double billing problem caused confusion and ill-will among food facility operators and led to more unnecessary confrontations with inspectors.

Food inspectors were told the software system would provide a calendar and a calendar tickler system, so inspectors were alerted when food facilities were due for an inspection or reinspection and could plan their time accordingly. It appears, however, that the software system was not programmed to perform that task, a potential efficiency that is currently unrealized.

Finally, the software system only provides an electronic copy of the inspection report, not a hard copy. This is problematic because the California Retail Food Code requires that a copy of the inspection report be available at the restaurant location. According to the California Retail Food Code, every restaurant is required to post a sign stating that their latest EHD inspection report is available and on file for the consumer's viewing. Since a paper report is no longer generated, the consumer is not able to view a copy of the inspection report unless the food operator has taken the initiative to print it out. In some instances, the report is sent to a corporate office and not available at the local food facility inspected. Without an in-facility copy, the retail food facility is challenged to meet the State notification requirement.

As discussed above, the current software system used by the EHD is a significant impediment to the important work EHD inspectors perform. The fact that the system is only 3-4 years old adds to the concern, and the vendor contract doesn't expire until December 2028. Whether the dysfunction is the responsibility of the vendor or lies elsewhere was beyond the scope of the Grand Jury's investigation, but the challenges associated with the software platform will need to be addressed if improved accountability and performance are to be achieved.

Food Inspectors

EHD has approximately 75 staff members. Of that number, 22 are dedicated primarily to the inspection of food facilities. Food inspectors must have a Bachelor of Science degree and pass an exam to be certified by the State of California as a Registered Health Specialist. A 600-hour internship is a prerequisite to the exam. Once hired by EHD, a food inspector has an additional 6-8 weeks of training with a senior food inspector, plus time spent in the office learning policy and procedure before conducting inspections on their own. To maintain certification, food inspectors are required to have 24 hours of continuing education every two years.

Food inspectors in Fresno County are hired at Level I, with a current annual income level of \$57,252 to \$69,576. By comparison, a fast-food employee working full time can make \$42,000 a year. After at least one year of experience, a food inspector may be promoted to Level II, earning \$64,350-\$78,208 annually. A food inspector with at least two years of experience is eligible to be elevated to Level III, with an annual salary of \$70,876-\$86,138. According to our internet research of similarly populated counties in California, the average salary of a food inspector is \$58,986.00 for level 1, \$77,048.00 for Level 2, and \$90,348.00 for Level 3. Additionally, Fresno County retirement benefits are less competitive than some other employers. For example, newly hired employees do not receive a cost-of-living allowance. For a person with the educational background of a food inspector, private industry is far more lucrative, and ongoing staff shortages are due partly to the non-competitive salary extended to food inspector applicants.

Since 1990, the number of restaurants in Fresno County (not including mobile units) has increased exponentially, as has Fresno County's population. There are currently more than 11,000 food facilities that EHD must regularly inspect, yet the number of food inspectors has remained the same since 1990. The workload for food inspectors is burdensome, and there are not enough food inspectors to keep up with the current number of food facilities in the County.

Food inspectors are tasked to conduct not only regular inspections of restaurants, fast food facilities, and other establishments in their census districts (which they refer to as their "inventory") but also must perform required re-inspections of the facilities that are cited with violations of the California Retail Food Code. Significantly, the re-inspections must occur within five days of the original inspection. Adding to this already heavy workload, inspectors are also asked to inspect public swimming pools which may be located in hotels, apartments, and other facilities. Inspections take anywhere from one to four hours to complete, not including travel time.

While there is no quota, EHD expects a food inspector to visit 4-5 facilities each day and inspect each food facility in the assigned census area four times each year. The expectation may not, in itself, seem unreasonable; however, a large sampling of inspection reports available online indicates few food facilities, if any, receive four routine inspections per year, and some facilities have not been inspected for a year or more. Doing the math regarding the expectation of food inspectors to inspect each facility four times a year, food inspectors can't possibly complete this requirement as well as complete re-inspections and pool inspections. With 11,000 food facilities and 22

food inspectors, an inspector would have to inspect 6.2 restaurant facilities each work day of the year (including holidays and no time off or vacation), to do the required four inspections a year. That expectation is unrealistic based on the current number of EHD inspectors.

In addition to the regular inspections, the food inspectors must re-inspect food facilities that have been cited for violations of the California Retail Food Code. Violations occur in about 33% of the inspections, and the reinspection must occur within five days for the County to collect a reinspection fee. Food inspectors face the difficult task of scheduling re-inspections. They juggle regular inspections, pool inspections, and inspections prompted by consumer complaints of foodborne illness, as well as other issues that must be addressed within five days.

Beyond restaurant inspections, food inspectors review blueprints for new restaurants, restaurant remodels, and additions to current restaurants. They inspect mobile units and the cottage food industry²; and they take steps to regulate hundreds--perhaps thousands--of unpermitted food vendors that cost the County significant tax revenue and licensing fees.

Food inspectors are sometimes the subject of threats and harassment by facility operators just for doing their jobs and have requested law enforcement assistance when conducting unlicensed food vendor inspections to ensure their safety. Conversely, the inspectors make difficult decisions knowing their immediate concerns may be

² A food industry wherein non-potentially hazardous foods can be prepared in a private home kitchen and sold either directly or indirectly to the public.

overridden by a supervisor who rarely visits the locations and may not have the urgency resulting from first hand observation of unsafe conditions the inspector has.

Despite all of the challenges, EHD strives to ensure the safety of the public. Food inspectors are exceptionally dedicated to keeping Fresno County residents safe from tainted and adulterated food. The Grand Jury found the food inspectors to be knowledgeable of the requirements of the California Retail Food Code, and professional while performing their duties. In the Grand Jury observations, food inspectors greet facility operators with their business cards and explain clearly their purpose. Inspectors try to remain as unobtrusive as possible during their inspections, and they speak to facility operators with respect. The food inspectors also work very hard to maintain the balance of keeping citizens safe from health hazards and are cognizant that closing a food facility affects the livelihood of many people--not just the owners of the facility.

EHD's Utilization of County Automobiles

Given the large number of inspection stops food inspectors must make each day, efficiency and cost of travel are important considerations. The five-day turnaround requirement for re-inspections lends an element of unpredictability to their travel scheduling and makes vehicle cost and time spent on travel difficult to manage. However, one area of potential cost savings may be in the use of the County vehicles available to EHD. The Grand Jury learned that there are County cars available to EHD but only some of the vehicles are used during the work week-- on a rotation basis so it appears vehicles are regularly used. The County mileage rate of \$.67 per mile may

create an incentive for the use of personal vehicles, increasing cost to EHD in the cases where County vehicles are unused.

Permit Fee Schedule and Collection.

EHD charges eat-in food facilities an annual permit fee to certify the facility's compliance with the California Retail Food Code based on the number of seats in the facility. The annual permit fee for other types of food facilities (bakery, bar, market, etc.), and restaurants without seating is determined by square footage. The current fee schedule dates to October 2021 (see Appendix A).

In addition to the annual permit fee, food facilities are subject to unannounced inspections by EHD. If there are violations to be corrected, the first reinspection is currently conducted at no cost. If a food facility requires subsequent re-inspections to correct a violation, EHD charges a re-inspection fee of \$109, which is assessed only after a failed first reinspection. If the re-inspection is not completed within 5 days, EHD cannot bill for the reinspection. This same fee is charged for each reinspection thereafter until the violation is corrected.

The Grand Jury believes that the EHD reinspection fee charged for food facility violations is far too low to incentivize the facility operator to correct the violations. A food facility that might earn \$109 from a bill for two diners or a single bar tab has little incentive to correct its issues. Additionally, this fee is not commensurate with other County reinspection rates, or, indeed, other government agency inspection rates (e.g., Fresno Fire Department charges \$161 to inspect two fire extinguishers at a fourplex

apartment). An internet review of similarly situated counties shows the disparity in reinspection fees:

San Joaquin County	\$165 an hour, with a 1-hour minimum
Tulare County	75% of the permit fee
Kings County	\$226 flat rate
Madera County:	\$135 plus penalties on past due balances
Stanislaus County	\$126 flat rate
San Diego County	\$184 an hour, with the no-permit penalty assessed at 300% of the permit fee plus the cost of the permit fee itself.

Re-inspection fees appear low and have not been updated since 2021; moreover, the collection rates for annual permits and re-inspections are less than industry standards. A random review of the food inspection reports on the EHD's website indicates that a good number of food facilities are delinquent for months (and sometimes years) without having a permit to operate or paying the permit or re-inspection fees. The Grand Jury found some restaurants owe over \$1,000 for inspection and re-inspections. These food facilities are allowed to continue to operate in violation of a California Retail Food Code that calls for immediate closure of expired permits or unpermitted facilities. Fees charged by EHD should incentivize businesses and make the department self-perpetuating.

Subjectivity of Inspections Leads to Inconsistent Enforcement of Violations

All food inspectors receive the same training and materials to do their job. They each receive an annually updated copy of the “California Retail Code Book” and a copy of the PowerPoint entitled, “New Inspection Report and Marking Guideline Training,” which provides photos of what to look for when conducting an inspection. Together, these resources contain the procedures, statutes and regulations food inspectors should follow when they inspect a food facility. Additionally, all new hires shadow Level III food inspectors for some time until the new hire feels confident enough to inspect on their own.

Despite common training and resources, the Grand Jury identified instances of inconsistent enforcement. For example, potentially hazardous food must be maintained at a temperature of 41 degrees Fahrenheit or lower. One food inspection report we reviewed—which has apparently been removed from the EHD website—showed a significant quantity of butter sitting out at a temperature of 75 degrees Fahrenheit; nevertheless, the food facility was allowed to put the butter back into the refrigerator to use another time. A food inspection report at a different food facility found a significant quantity of butter at a lower temperature, 68 degrees Fahrenheit, but required it to be discarded.

The California Retail Food Code requires a food facility that lacks a valid permit to be subject to immediate closure. Our review found many food facilities operating without a current permit, though some permits may have been incorrectly reported due

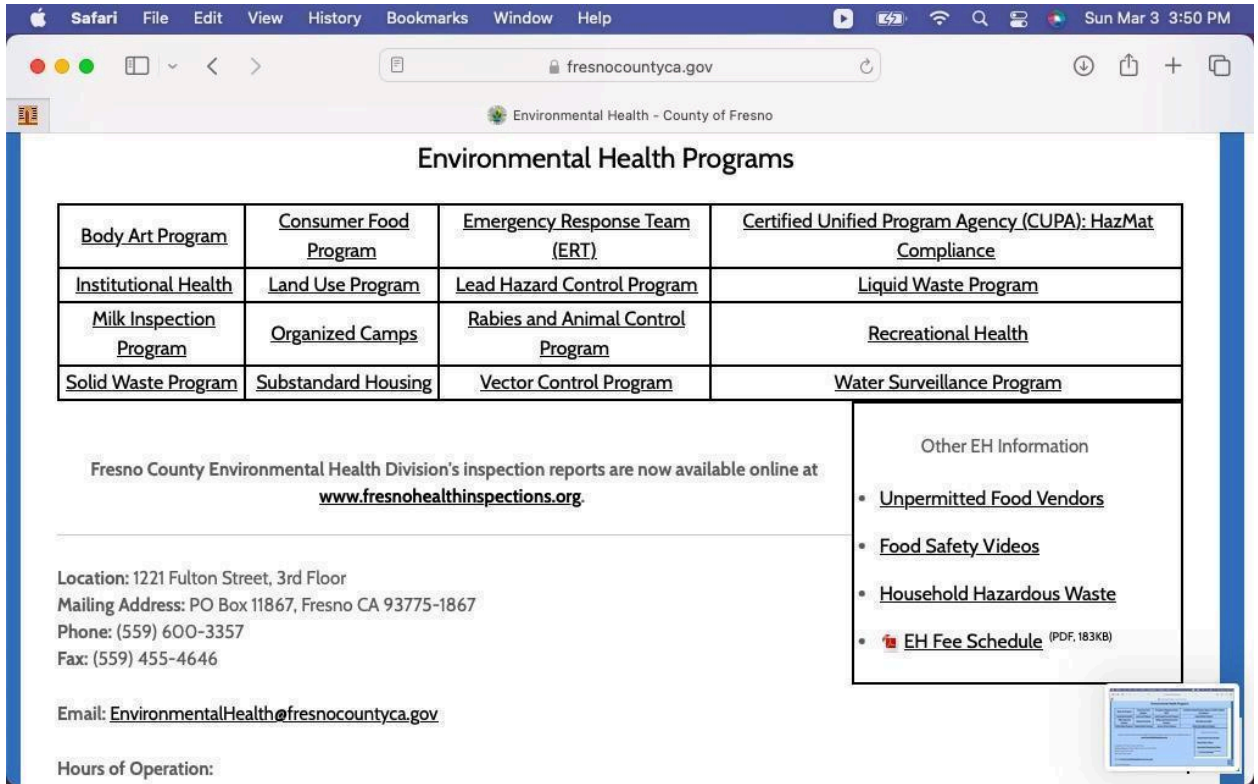
to issues with the software system. However, even after the software glitch was reportedly fixed, many food facilities that are not up to date on their permit fees remain unpaid.

Food facilities are also required by the California Retail Food Code to have an employee or owner who has a ServSafe certificate and employees who are Food Handler-certified if they handle food of any type other than prepackaged food³. We found that this requirement is inconsistently enforced and food facilities have been allowed to continue operating without the properly credentialed employees. This inconsistency in enforcement may lead to disregard for the law, may put the public at risk, and may create a liability for Fresno County.

EHD's Website

The homepage of EHD's website contains information about various departments within EHD and how to pay permit and reinspection fees. The food inspection link, labeled only as "Fresno County Environmental Health Division's Inspection Reports", lacks visibility and is buried mid-page in small type (see below).

³ To be certified a person must demonstrate the skills and knowledge required of a food manager by passing this accredited exam which is offered online ([ServSafe® Product Details](#)). Anyone handling food must have a Food Handler Card unless the product is pre-packaged



(EHD home page, accessed on March 3, 2024)

Clicking the link leads to a page entitled “Search for a Facility.” The search form requests the name and address of the food facility, the particular documents desired, and the period for which documents are requested. When searching for a food facility, the program doesn’t appear to use any type of search logic. Unless you have the exact name of the food facility, no data will be retrieved. For example, if you type in *McDonalds* the response is “No data returned”; however, if you type in *McDonald’s* (with the apostrophe) you will get a list of all of the McDonald’s food facilities in Fresno County that have been inspected. Spelling issues aside, the average consumer may be unaware of the legal name of a food facility, or the facility may be listed under a

corporate name or a “Doing Business As” (DBA) name. The database is not searchable by location.

While the website has valuable information, it is cumbersome, difficult to navigate, and a challenge to find the most current food inspection report. Some website reports do not appear to be timely. Other facilities completely lack inspection reports or have had no reports for several years. Inspection reports are sometimes modified after the fact or removed completely.

CONCLUSION

No doubt EHD has a dedicated staff that works hard to accomplish its mission of ensuring food safety, but it also faces numerous obstacles in doing so, which have been discussed in this investigative report. From the preponderance of the evidence presented, obtained through ride-along inspections with EHD inspectors, interviews conducted during the investigation, and document and website reviews, the Grand Jury has concluded that EHD cannot always assure food safety in Fresno County restaurants. The subjectivity and inconsistency apparent in restaurant inspections, as well as an overwhelming workload for Food Inspectors contribute to our conclusion, as does the apparent difficulty of closing restaurants in violation of the Food Code, a process made more challenging by the requirement to obtain a supervisor’s approval, even though an imminent health hazard exists.

As a final note, the Grand Jury observes that Fresno County does not include letter grades in the restaurant inspection reports, though many California counties do.

Letter grades are not mandated by the State, though the Grand Jury believes assigning a letter grade increases transparency as well as provides an incentive for local food businesses to strive for excellence, to properly and safely prepare food in a clean and sanitary environment.

FINDINGS

California Penal Code Section 933(a) mandates that a grand jury report issue findings and recommendations.

F1 The current software system used by food inspectors is functionally inadequate and an impediment to meeting the EHD mission of ensuring restaurant safety.

F2 Due to a variety of factors, EHD does not currently employ enough inspectors to realistically meet all of its many obligations.

F3 Salaries for food inspectors appear to be low, given the required educational background and compared to average salaries in similarly situated counties.

F4 Food inspectors have an overly broad “inventory” of facilities, and the requirement to inspect facilities other than food establishments dilutes the effort to ensure food safety.

F5 Permit, food inspection, and reinspection fees appear to be low when compared to similar inspection fees charged elsewhere, including those charged by the City of Fresno and other Fresno County departments.

F6 Subjectivity and inconsistency in inspections are an impediment to the mission of ensuring food safety within Fresno County.

F7 Code violation enforcement and fine collection appear to be inconsistent and based on the subjectivity of individual inspectors and supervisors.

F8 EHD's website is difficult to navigate, not always current, and is a barrier to consumers.

F9 EHD appears to be without a policy for its Food Inspectors on the standard use of County automobiles for travel to inspect food facilities.

RECOMMENDATIONS

The Grand Jury recommends that the Fresno County Board of Supervisors and the Director of the Environmental Health Division do the following:

R1 Within 180 days, develop a plan to achieve a functional software system that fully meets inspector needs and commit to the plan's implementation as soon as financially practicable. (F1)

R2 Within 180 days align current EHD food inspector positions with the department's goal of inspecting each restaurant four times a year and commit to a staffing plan to realistically achieve that alignment. (F2, F3, F4)

R3 Conduct a salary study with comparable counties to see if wage adjustments are needed at the various levels of food inspectors and commit to competitive salary levels by not later than 180 days from the day of publication of this report. (F2, F3)

R4 Reorganize EHD so food inspectors inspect only food facilities, mobile food units, cottage food industry, etc., and not swimming pools, landfills, CUPA, etc. by not later than 180 days from the day of publication of this report. (F4)

R5 Implement a fee structure that makes EHD a self-supporting division of the County Health Department no later than 180 days from the day of publication of this report. (F5, F6)

R6 Enforce and collect the permit and inspection/reinspection fees already imposed on food facilities that violate the California Retail Food Code by not later than 180 days from the day of publication of this report. (F5, F6)

R7 Within 180 days, implement deliberative measures such as random sampling of food inspection reports or inspector norming of reports to reduce subjectivity and increase consistency of evaluations. (F6, F7)

R8 Re-work EHD's website so that the food inspection reports are easier for consumers to access by no later than 180 days from the day of publication of this report. (F8)

R9 Require food inspection reports to be complete, timely and regularly updated on the website no later than 180 days from the day of publication of this report. (F8)

R10 Within 180 days, implement an efficient vehicle use policy that ensures 100% of the County cars allocated to EHD for inspectors are used every day instead of the apparent rotation policy used now or transfer them to other County Departments. (F9)

REQUESTS FOR RESPONSES

Pursuant to California Penal Code Section 933.05 the 2023-2024 Fresno County Civil Grand Jury requests responses to each of the specific findings and recommendations, pursuant to California Penal Code Section 933(c), required responses from elected County Officers or agency heads are due within **60 days** of the receipt of this report and **90 days** from the governing body of a public agency.

REQUIRED RESPONDENT

The following is required to respond:

Fresno County Board of Supervisors

INVITED RESPONDENTS

The following are invited to respond:

Director of Fresno County Department of Public Health

Division Manager of Environmental Health Division

County Administrative Office

DISCLAIMER

Reports issued by the Fresno County Grand Jury do not identify the individuals interviewed. Penal Code Section 929 requires that reports of the Grand Jury not contain the name of any person or facts leading to the identity of any person who provides information to the Grand Jury.

Appendix A

	Level 1	Level 2	Level 3	Level 4
Fresno County	\$57,252-\$69,334	\$64,350-\$78,209	\$70,876-\$86,138	NA
San Joaquin County	\$78,540	\$95,011	\$104,166	NA
Tulare County	\$57,802	\$77,450	NA	NA
Kings County	NA	\$71,489	\$78,977	\$87,256
Madera County	NA	\$57,079-\$69,380	NA	NA
Merced County	\$56,888-\$69,201	\$62,732-\$76,315	\$73,028-\$88,836	NA
Stanislaus County	\$57,241-\$69,596	\$66,123-\$80,371	\$70,948-86,236	NA
Sacramento County	\$64,073	\$73,372	\$96,006	NA
Kern County	\$77,008	\$116,949	\$132,026	NA
San Luis Obispo County	\$58,000	\$70,000	\$85,000	NA
Monterey County	\$82,748	\$105,408	\$121,245	NA



FRESNO COUNTY GRAND JURY
FINAL REPORTS AND RESPONSES

RESPONSES TO REPORT #4

From

**THE FRESNO COUNTY
BOARD OF SUPERVISORS**

and

**THE FRESNO COUNTY
ADMINISTRATIVE OFFICE
CAO - PAUL NERLAND**

County of Fresno
Board of Supervisors
RESPONSE TO THE
2023-24
FRESNO COUNTY GRAND JURY
FINAL REPORT #4



**Eat at Your Own Risk:
The Quiet Reality of Health Inspections in Fresno County**

Please find below the Fresno County Board of Supervisors' response to the 2023-24 Grand Jury Final Report No. 4 findings and recommendations. The County thanks the Grand Jury for its investigation and recommendations related to Fresno County's food facility inspection practices.

FINDINGS

- F1. The current software system used by food inspectors is functionally inadequate and an impediment to meeting the EHD mission of ensuring restaurant safety.**

Response:

The Board of Supervisors supports the County Administrative Officer's (CAO) responses to all Findings within this report. As indicated within the CAO's consolidated response to this report, the County disagrees with this finding. The current software used by EHD is also utilized in the permitting processes of the County of Fresno Department of Public Works and Planning and is a significant improvement over previous software systems used. In addition, improvements to the software system have and will continue to improve the efficiencies of the EHD tasks.

- F2. Due to a variety of factors, EHD does not currently employ enough inspectors to realistically meet all of its many obligations.**

Response:

The Board of Supervisors partially agrees with this finding. The County has added 5 positions to the EHD in the past several years and currently has 4 positions vacant. To address the vacancy rate and to promote retention, the County recently increased pay for positions within the EHD by 10% and added a step to the classification's salary schedule. For more details, please see response to R3 below.

- F3. Salaries for food inspectors appear to be low, given the required educational background and compared to average salaries in similarly situated counties.**

Response:

The Board of Supervisors agrees with this finding. Please see response to F2 and R3 for more details.

- F4. Food inspectors have an overly broad "inventory" of facilities, and the requirement to inspect facilities other than food establishments dilutes the effort to ensure food safety.**

Response:

The Board of Supervisors disagrees with this finding. The "inventory" assigned to EHD inspecting job classifications are required by law. In addition, EHD has recently added

non-inspecting job classifications to assist with to handle many of the administrative tasks. For more details, please see response to R4.

- F5. Permit, food inspection, and reinspection fees appear to be low when compared to similar inspection fees charged elsewhere, including those charged by the City of Fresno and other Fresno County departments.**

Response:

The Board of Supervisors agrees with this finding. The EHD is working on bringing an amendment to the Board of Supervisors for their consideration to make fees sufficient to cover costs.

- F6. Subjectivity and inconsistency in inspections are an impediment to the mission of ensuring food safety within Fresno County.**

Response:

The Board of Supervisors partially agrees with this finding. The EHD will be providing additional training to ensure efficiency and effectiveness to help alleviate subjectivity issues. For more details, please see response to R6.

- F7. Code violation enforcement and fine collection appear to be inconsistent and based on the subjectivity of individual inspectors and supervisors.**

Response:

The Board of Supervisors partially agrees with the finding given the methodology used for the staff evaluation portion of the recommendation. There will always be a level of subjective judgement require due to the varying circumstances, but the goal is to be as standard as possible. The EHD will bring new reinspection fees to the Board of Supervisors for approval and a new policy for implementation to reduce the subjectivity. The State is sponsoring a training in Fall 2024 that can assist with standardization across the field. The EHD plans to attend the training.

- F8. EHD's website is difficult to navigate, not always current, and is a barrier to consumers.**

Response:

The Board of Supervisors partially agrees with this finding and is currently working on improving the website some of which have already been implemented. For more details, please see response to R8.

- F9. EHD appears to be without a policy for its Food Inspectors on the standard use of County automobiles for travel to inspect food facilities.**

Response:

The Board of Supervisors partially agrees and will provide vehicles when it is in the best interest of the County to do so. For more details, please see response to R10.

RECOMMENDATIONS

- R1. Within 180 days, develop a plan to achieve a functional software system that fully meets inspector needs and commit to the plan's implementation as soon as financially practicable. (F1)**

Response:

The Board of Supervisors understand that the EHD currently utilizes the database system known as Amanda 7. This system is functional and fully meets inspector needs. This is an enterprise level database also used by county's Public Works and Planning Department for their permitting programs. The system went live for use by EHD staff on June 28, 2021. During the early stages of the of this software usage staff experienced many challenges. However, since the go-live date there have been many improvements to the system which has made it more user friendly for staff. This software offers the use of electronic inspection reports. When the software is utilized properly, EHD staff save time on their daily activities and the program utilizes less resources. EHD has seen significant improvements in staff and program efficiencies by automating several functions that were time consuming with our previous database. The software provides a "Task List" for every inspector to see their assigned facilities and the date of the next inspection. This list will be able to transmit the inspection date and time to the inspectors' calendar once EHD fully tests that it works properly. The system also improves the evaluation of productivity within EHD.

- R2. Within 180 days align current EHD food inspector positions with the department's goal of inspecting each restaurant four times a year and commit to a staffing plan to realistically achieve that alignment. (F2, F3, F4)**

Response:

The goal of the EHD and the Board of Supervisors is that all permitted facilities will be inspected at their established statutory frequencies. The EHD expects to reach this goal once all existing and new positions are filled.

- R3. Conduct a salary study with comparable counties to see if wage adjustments are needed at the various levels of food inspectors and commit to competitive salary levels by not later than 180 days from the day of publication of this report. (F2, F3)**

Response:

The Board of Supervisor recently approved salary adjustments for EH's inspection staff.

Recent salary adjustments for the Registered Environmental Health Specialist classification are as follows:

- 10% increase (5% COLA + 5% equity) effective November 27, 2023.
- 5% increase (3% COLA + 2% equity) effective November 25, 2024.
- 3% equity increase effective July 7, 2025.
- Sixth Step: Add one additional salary step (step 6, 5%) for all classifications, effective July 8, 2024.

R4. Reorganize EHD so food inspectors inspect only food facilities, mobile food units, cottage food industry, etc., and not swimming pools, landfills, CUPA, etc. by not later than 180 days from the day of publication of this report. (F4)

Response:

The Board of Supervisors disagrees with this finding. The report states “There are currently more than 11,000 food facilities that EHD must regularly inspect.” The accurate number of food facilities requiring inspection is approximately 6,100. No “food inspectors” have been assigned any work in the Solid Waste or the CUPA programs.

The Consumer Protection Unit (CPU) has the highest number of staff in the EHD. Staff inspect, retail food facilities, school cafeterias, public swimming pools, organized camps, detention facilities, small water systems and all new wells drilled in the county. The removal of swimming pools is not allowed by the California Code of Regulations (CCR) Title 22, section 65501, which states: “Enforcing Agent” means the local health officer, director of environmental health, registered environmental health specialist, environmental health specialist trainee, or an inspector of the State Department of Public Health.”. In addition, 22 CCR 65511 states: “Except after seasonal closures, the enforcing agent shall give written approval before a public pool may be placed in operation”. This clearly shows that EHD Registered Environmental Health Specialists staff shall perform the routine inspections at all public swimming pools.

EHD staff are no longer assigned complaints for illegal dumping and substandard housing to investigate. Special funding has allowed EHD to hire Aides to handle many of the “non-permitted” items that were additional time for the staff to address.

R5. Implement a fee structure that makes EHD a self-supporting division of the County Health Department no later than 180 days from the day of publication of this report. (F5, F6)

Response:

The Board of Supervisors expects to receive a proposed new Master Schedule of Fees to review and consider. It is expected that this fee proposal will ask for 100% of the cost to carry out the permitting program for EHD. If approved, this will provide the assurance that EHD can fund staff at the appropriate levels to fully provide all inspections at the established frequencies.

R6. Enforce and collect the permit and inspection/reinspection fees already imposed on food facilities that violate the California Retail Food Code by not later than 180 days from the day of publication of this report. (F5, F6)

Response:

The County has currently 12,238 facilities under permit for all programs. Of these facilities, 1,179 are “Expired” with no active permit to operate and need enforcement actions undertaken by staff. This represents just over 9% of the total inventory. The recent close of Fiscal year 2023-2024 shows that EHD staff collected approximately \$489,000 dollars over the anticipated revenue levels. This is attributed to staff collecting past due amounts from businesses through various enforcement actions. The reinspection policy will be rewritten to remove strict timelines to conduct reinspections. Specific fees for any reinspection will be part of the Master Schedule of Fees that will be presented to the Board of Supervisors later this calendar year.

- R7. Within 180 days, implement deliberative measures such as random sampling of food inspection reports or inspector norming of reports to reduce subjectivity and increase consistency of evaluations. (F6, F7)**

Response:

The Board of Supervisors partially agrees with the finding given the methodology used by EHD for the staff evaluation portion of the recommendation. The Board also believes there will always be a level of subjective judgement required due to the varying circumstances, but the goal of EHD, and the Board, is to be as standard as possible. The EHD management will use certain violations as a starting point for the evaluation of staff and will train if significant issues are found. The State is sponsoring a training in Fall 2024 that can assist with standardization across the field. EHD plans on attending the training.

- R8. Rework EHD’s website so that the food inspection reports are easier for consumers to access by no later than 180 days from the day of publication of this report. (F8)**

Response:

The Board of Supervisors partially agrees with the finding since IT and EHD staff are continuing to work on all the inspection reports to go to the online document portal website. Improvements for document searches have been implemented and EHD should see more activity on the document portal website.

- R9. Require food inspection reports to be complete, timely and regularly updated on the website no later than 180 days from the day of publication of this report. (F8)**

Response:

Same response as R8.

- R10. Within 180 days, implement an efficient vehicle use policy that ensures 100% of the County cars allocated to EHD for inspectors are used every day instead of the apparent rotation policy used now or transfer them to other County Departments. (F9)**

Response:

The Board of Supervisors understands that the County will provide safe, reliable, and economical vehicles for the essential transportation needs of employees. Motor pools are to be equipped with an optimum number of safe, reliable vehicles. The long-term assignment of County vehicles to departments and to employees shall be made only when such assignments are in the best interests of the County. The Board of Supervisors expect that EHD will review the mileage submittals from staff and make determinations to assign county cars per the county's Administrative Policy No. 17.

This concludes the Board of Supervisors' comments on the Findings and Recommendations of the Fresno County Grand Jury Report No. 4.



County of Fresno

COUNTY ADMINISTRATIVE OFFICE
PAUL NERLAND
COUNTY ADMINISTRATIVE OFFICER

September 4, 2024

The Honorable Houry A. Sanderson, Presiding Judge
Fresno County Superior Court
1100 Van Ness Avenue
Fresno, CA 93724-0002

RE: Report No. 4, "Eat at Your Own Risk: The Quiet Reality of Health Inspections in Fresno County"

Dear Judge Sanderson:

The Grand Jury's report reflects findings and recommendations regarding the food permitting and inspection processes of the County of Fresno's Department of Public Health, Environmental Health Division (EHD). I thank the Grand Jury for their diligence and am responding to Finding F1 – F9 and Recommendations R1 – R10 as requested by the Grand Jury. Given this report requests responses from multiple County departments/divisions (Director of Department of Public Health, Division Manager of EHD, and County Administrative Office), I have prepared a consolidated response for all the aforementioned departments as detailed below:

FINDINGS

F1. The current software system used by food inspectors is functionally inadequate and an impediment to meeting the EHD mission of ensuring restaurant safety.

The County disagrees with this finding. The current software used by EHD is also utilized in the permitting processes of the County of Fresno Department of Public Works and Planning and is a significant improvement over previous software systems used. In addition, improvements to the software system have and will continue to improve the efficiencies of the EHD tasks.

F2. Due to a variety of factors, EHD does not currently employ enough inspectors to realistically meet all of its many obligations.

The County partially agrees with this finding. The County has added 5 positions to the EHD in the past several years and currently has 4 positions vacant. To address the vacancy rate and to promote retention, the County recently increased pay for

positions within the EHD by 10% and added a step to the classification's salary schedule. For more details, please see response to R3 below.

F3. Salaries for food inspectors appear to be low, given the required educational background and compared to average salaries in similarly situated counties.

The County agrees with this finding. Please see response to F2 and R3 for more details.

F4. Food inspectors have an overly broad "inventory" of facilities, and the requirement to inspect facilities other than food establishments dilutes the effort to ensure food safety.

The County disagrees with this finding. The "inventory" assigned to EHD inspecting job classifications are required by law. In addition, EHD has recently added non-inspecting job classifications to assist with to handle many of the administrative tasks. For more details, please see response to R4.

F5. Permit, food inspection, and reinspection fees appear to be low when compared to similar inspection fees charged elsewhere, including those charged by the City of Fresno and other Fresno County departments.

The County agrees with this finding. The EHD is working on bringing an amendment to the Board of Supervisors for their consideration to make fees sufficient to cover costs.

F6. Subjectivity and inconsistency in inspections are an impediment to the mission of ensuring food safety within Fresno County.

The County partially agrees with this finding. The EHD will be providing additional training to ensure efficiency and effectiveness to help alleviate subjectivity issues. For more details, please see response to R6.

F7. Code violation enforcement and fine collection appear to be inconsistent and based on the subjectivity of individual inspectors and supervisors.

The County partially agrees with the finding given the methodology used for the staff evaluation portion of the recommendation. There will always be a level of subjective judgement require due to the varying circumstances, but the goal is to be as standard as possible. The EHD will bring new reinspection fees to the Board of Supervisors for approval and a new policy for implementation to reduce the subjectivity. The State is sponsoring a training in Fall 2024 that can assist with standardization across the field. The EHD plans to attend the training.

F8. EHD's website is difficult to navigate, not always current, and is a barrier to consumers.

The County partially agrees with this finding and is currently working on improving the website some of which have already been implemented. For more details, please see response to R8.

F9. EHD appears to be without a policy for its Food Inspectors on the standard use of County automobiles for travel to inspect food facilities.

The County partially agrees and will provide vehicles when it is in the best interest of the County to do so. For more details, please see response to R10.

RECOMMENDATIONS

R1. Within 180 days, develop a plan to achieve a functional software system that fully meets inspector needs and commit to the plan's implementation as soon as financially practicable. (F1)

The EHD currently utilizes the database system known as Amanda 7. This system is functional and fully meets inspector needs. This is an enterprise level database also used by county's Public Works and Planning Department for their permitting programs. The system went live for use by EHD staff on June 28, 2021. During the early stages of the of this software usage staff experienced many challenges. However, since the go-live date there have been many improvements to the system which has made it more user friendly for staff. This software offers the use of electronic inspection reports. When the software is utilized properly, EHD staff save time on their daily activities and the program utilizes less resources. EHD has seen significant improvements in staff and program efficiencies by automating several functions that were time consuming with our previous database. The software provides a "Task List" for every inspector to see their assigned facilities and the date of the next inspection. This list will be able to transmit the inspection date and time to the inspectors' calendar once EHD fully tests that it works properly. The system also improves the evaluation of productivity within EHD.

R2. Within 180 days align current EHD food inspector positions with the department's goal of inspecting each restaurant four times a year and commit to a staffing plan to realistically achieve that alignment. (F2, F3, F4)

This is the goal of the EHD, that all permitted facilities will be inspected at their established statutory frequencies. The EHD expects to reach this goal once all existing and new positions are filled.

R3 Conduct a salary study with comparable counties to see if wage adjustments are needed at the various levels of food inspectors and commit to competitive salary levels by not later than 180 days from the day of publication of this report. (F2, F3)

Recently approved salary adjustments have been made for EH's inspection staff.

Recent salary adjustments for the Registered Environmental Health Specialist classification are as follows:

- 10% increase (5% COLA + 5% equity) effective November 27, 2023.
- 5% increase (3% COLA + 2% equity) effective November 25, 2024.
- 3% equity increase effective July 7, 2025.
- Sixth Step: Add one additional salary step (step 6, 5%) for all classifications, effective July 8, 2024.

R4 Reorganize EHD so food inspectors inspect only food facilities, mobile food units, cottage food industry, etc., and not swimming pools, landfills, CUPA, etc. by not later than 180 days from the day of publication of this report. (F4)

The County disagrees with this finding. The report states "There are currently more than 11,000 food facilities that EHD must regularly inspect." The accurate number of food facilities requiring inspection is approximately 6,100. No "food inspectors" have been assigned any work in the Solid Waste or the CUPA programs.

The Consumer Protection Unit (CPU) has the highest number of staff in the EHD. Staff inspect, retail food facilities, school cafeterias, public swimming pools, organized camps, detention facilities, small water systems and all new wells drilled in the county. The removal of swimming pools is not allowed by the California Code of Regulations (CCR) Title 22, section 65501, which states: "Enforcing Agent" means the local health officer, director of environmental health, registered environmental health specialist, environmental health specialist trainee, or an inspector of the State Department of Public Health." In addition, 22 CCR 65511 states: "Except after seasonal closures, the enforcing agent shall give written approval before a public pool may be placed in operation". This clearly shows that EHD Registered Environmental Health Specialists staff shall perform the routine inspections at all public swimming pools.

EHD staff are no longer assigned complaints for illegal dumping and substandard housing to investigate. Special funding has allowed EHD to hire Aides to handle many of the "non-permitted" items that were additional time for the staff to address.

R5 Implement a fee structure that makes EHD a self-supporting division of the County Health Department no later than 180 days from the day of publication of this report. (F5, F6)

EHD will be submitting a new Master Schedule of Fees to be reviewed and approved by the Board of Supervisors. This fee proposal will ask for 100% of the cost to carry out the permitting program for EHD. If approved, this will provide the assurance that EHD can fund staff at the appropriate levels to fully provide all inspections at the established frequencies.

R6 Enforce and collect the permit and inspection/reinspection fees already imposed on food facilities that violate the California Retail Food Code by not later than 180 days from the day of publication of this report. (F5, F6)

EHD has currently 12,238 facilities under permit for all programs. Of these facilities, 1,179 are "Expired" with no active permit to operate and need enforcement actions undertaken by staff. This represents just over 9% of the total inventory. The recent close of Fiscal year 2023-2024 shows that EHD staff collected approximately \$489,000 dollars over the anticipated revenue levels. This is attributed to staff collecting past due amounts from businesses through various enforcement actions. The reinspection policy will be rewritten to remove strict timelines to conduct reinspections. Specific fees for any reinspection will be part of the Master Schedule of Fees that will be presented to the Board of Supervisors later this calendar year.

R7 Within 180 days, implement deliberative measures such as random sampling of food inspection reports or inspector norming of reports to reduce subjectivity and increase consistency of evaluations. (F6, F7)

The County partially agrees with the finding given the methodology used for the staff evaluation portion of the recommendation. There will always be a level of subjective judgement require due to the varying circumstances, but the goal is to be as standard as possible. The EHD management will use certain violations as a starting point for the evaluation of staff and will train if significant issues are found. The State is sponsoring a training in Fall 2024 that can assist with standardization across the field. EHD plans on attending the training.

R8 Rework EHD's website so that the food inspection reports are easier for consumers to access by no later than 180 days from the day of publication of this report. (F8)

The County partially agrees with the finding since IT and EHD staff are continuing to work on all the inspection reports to go to the online document portal website. Improvements for document searches have been implemented and EHD should see more activity on the document portal website.

R9 Require food inspection reports to be complete, timely and regularly updated on the website no later than 180 days from the day of publication of this report. (F8)

Same response as R8.

R10 Within 180 days, implement an efficient vehicle use policy that ensures 100% of the County cars allocated to EHD for inspectors are used every day instead of the apparent rotation policy used now or transfer them to other County Departments. (F9)

The County will provide safe, reliable, and economical vehicles for the essential transportation needs of employees. Motor pools are to be equipped with an optimum number of safe, reliable vehicles. The long-term assignment of County vehicles to departments and to employees shall be made only when such assignments are in the best interests of the County. The EHD will review the mileage submittals from

staff and make determinations to assign county cars per the county's Administrative Policy No. 17.

This concludes the County Administrative Officer's comments on the Findings and Recommendations of the Fresno County Grand Jury Report No. 4, July 2024.

Sincerely,

A handwritten signature in black ink, appearing to read "Paul Nerland". The signature is written in a cursive style with a large, sweeping initial "P".

Paul Nerland
County Administrative Officer
County of Fresno



FRESNO COUNTY GRAND JURY
FINAL REPORTS AND RESPONSES

REPORT #5

**FRESNO COUNTY SPECIAL DISTRICT
WEBSITE TRANSPARENCY:**

Seeing Your Dollars at Work

Fresno County Special District Website Transparency:
Seeing Your Dollars At Work

Fresno County Civil Grand Jury 2023-2024



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Summary

The Fresno County Civil Grand Jury received a complaint from a Fresno County citizen regarding an expressed lack of transparency by special districts on their required websites. California Senate Bill 929 (SB 929), which was approved by the Governor on September 14, 2018 and became effective on January 1, 2020, updated the California Government Code by requiring all independent special districts to have websites that provide specific information unless granted an exemption by their boards. The Grand Jury has the authority to investigate the functions of special districts within Fresno County under Penal Code §933.5 and consequently reviewed 57 of the 80 independent special districts within the County for their compliance with SB 929. These 57 districts had combined revenues of over \$492 million for the fiscal year 2021-2022 (as reported in the California State Controller's Office (CSCO), Special Districts Financial Data website), revenue generated through property taxes, special assessments, and fees. Our objectives were to answer three questions:

- 1) Does the independent special district have a website?
- 2) Does the website meet legal requirements?
- 3) Is the website transparent, meaning is the required information accessible and easily identified?

In response to the first question, the Grand Jury found that 11 independent special districts had no website; however, 3 of the 11 did have an exemption.

In response to the second question, the Grand Jury used a portion of the "District Transparency Certificate of Excellence" Checklist (Checklist) published by the Special District Leadership Foundation (SDLF), and part of their "Transparency Certification" program ([2023_SDLF_District-Transparency-Application.pdf](https://higherlogicdownload.s3.amazonaws.com/CSDA/feaaf941-6df6-4428-a23c-583379a09704/UploadedImages/PDfs/2023_SDLF_District-Transparency-Application.pdf) or https://higherlogicdownload.s3.amazonaws.com/CSDA/feaaf941-6df6-4428-a23c-583379a09704/UploadedImages/PDfs/2023_SDLF_District-Transparency-Application.pdf) for

evaluating special districts. The Grand Jury found that 24 special districts met all the legal requirements and 19 special districts were partially compliant.

In response to the third question, the Grand Jury learned that only ten special districts earned a perfect score using the Checklist.

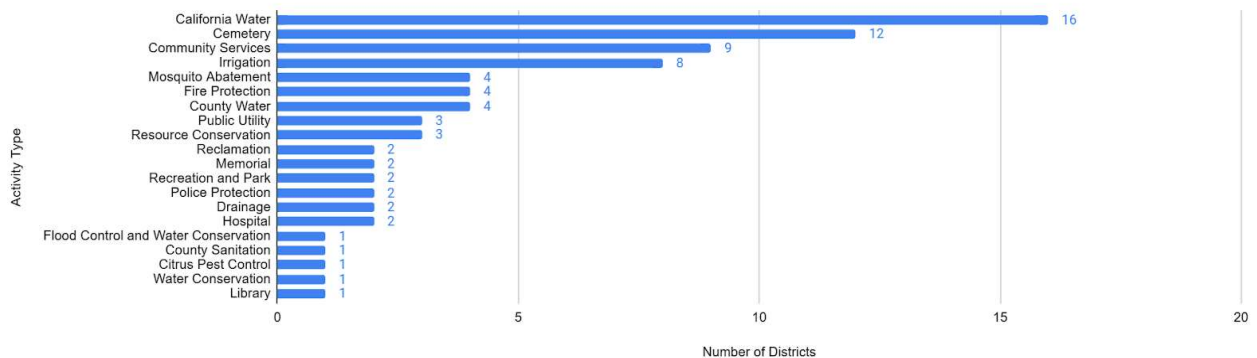
With nearly half a billion dollars of annual revenue acquired from customers of provided services, special district financial and operational transparency is crucial. Citizens should be able to easily monitor how taxpayer dollars are spent and how well the districts are providing services. The Grand Jury’s goal with this report is to increase awareness of special district websites, to foster district transparency and to advocate for the use of a simple checklist that evaluates the transparency of special district websites.

Background

What are Special Districts?

Special districts are local governments created by communities to deliver specialized services essential to the community’s health, safety, economy and well-being. Examples of services provided by special districts include sewage treatment, water delivery, fire protection, mosquito abatement, sanitation, utilities, and cemetery operations. Some districts, such as water districts, offer a single primary service and others meet a wide range of needs, such as in the case of community services districts, which can deliver up to 32 services. The following graph shows the services provided by the 80 independent special districts in Fresno County:

Independent Special District Activity Type Breakdown
For Fresno County



Special District Organization

Special districts are either *independent* or *dependent* depending on their organizational structure. Independent special districts are self-governed by their own elected board. They are not part of state or county governments. They are only directly accountable to the people residing within the districts' boundaries, and are governed by an elected board which oversees the functions and finances of the district. Dependent special districts are governed by other governmental entities. For instance, if a county board of supervisors or city council controls a special district, it is a dependent district. Fresno County has 48 dependent special districts (per CSCO report). The focus of this report is on *independent* special districts.

Special District Website Legal Requirement

California SB 929 took effect on January 1, 2020 and requires that absent a resolution from their governing board declaring a hardship, every independent special district "shall maintain an Internet Web site" that "shall clearly list contact information for the independent special district." A Facebook page does not qualify as an Internet website. Other California laws relative to special district website requirements also exist. These include the following:

- California Government Code § 7922.700 - 7922.725 - each local agency, except a local educational agency, shall create a catalog of enterprise systems.
- California Government Code § 54954.2 (a) (1) and California Government Code § 54956 (a) - Agendas are required to be posted to the special district website at least 72 hours in advance of regular meetings, 24 hours in advance of special meetings.
- California Government Code § 54957.5 - requires agendas and supporting documents to be "available upon request" and "available for public inspection" in person. This requirement is not necessary if a number of conditions are met, including that the agendas and supporting documents are posted on the agency's website.

- Compensation Report – California Government Code § 53908 - states that a local agency can post its compensation information on its website or it can link to the Controller's "Government Compensation in California" website.
- Financial Transaction Report – California Government Code § 53891 (a) - requires local agencies to submit to the Controller a report of financial transactions from the preceding fiscal year.
- California Government Code § 7922.680 (a) and (b) - All information on a special district website, except for a school district, defined as “open data” must be “retrievable, downloadable, indexable, and electronically searchable; platform independent and machine readable.”
- California Government Code § 7405 – Special districts, as governmental entities, must comply with the accessibility requirements of Section 508 of the Federal Rehabilitation Act of 1973 (ADA Compliance).
- California Health and Safety Code § 32139(b) - Healthcare special districts are required to maintain a website that includes all items above, plus additional requirements. These requirements include budget, board members, Municipal Service Review, grant policy and recipients, and audits.

Special districts requesting a hardship exemption have to go through numerous steps for approval. A special district does not have to have a website if, with a majority vote of its governing body at a regular meeting, the district adopts a resolution declaring that a hardship exists that prevents it from establishing or maintaining a website. The resolution adopted under this exception must include detailed findings based on evidence included in the meeting’s minutes that support the board’s determination. Examples of hardship include inadequate access to broadband network facilities, significantly limited financial resources, or insufficient staff resources. Finally, the resolution is only valid for one year. To continue the exemption, the special district governing body must adopt a resolution pursuant to this exception every year so long as the hardship exists.

Methodology

Since other California Grand Juries, including Placer and Tulare Counties, have recently written reports on special district website transparency, the Fresno County Grand Jury used their reports as models for its own investigation. Due to the large number of independent special districts, the Grand Jury investigated only those independent special districts that had revenues greater than \$200,000 listed on the fiscal year 2021-2022 CSCO, Special Districts Financial Data website (<https://www.bythenumbers.sco.ca.gov>). Fifty-seven of the 80 listed independent special districts met the \$200,000 threshold. The Fresno County Local Agency Formation Committee (LAFCo) directory (<https://www.fresnolafo.org/special-district-information>) was then consulted as a source for the special district website links. The Grand Jury also performed an internet search for those districts that did not have a website listed on the LAFCo directory. To maintain objectivity and simplify the website review process, the Grand Jury used the first 15 items on page 2 of the Checklist from the SDLF to score each district's website. SDLF promotes special district transparency through its Transparency Excellence program (www.sdlf.org). The portion of the SDLF checklist used by the Grand Jury for its review is shown below:

Website Requirements

Maintain a district website with the following items Required. (provide direct website links for each item) - Required items available to the public:

- Names of board members and their full terms of office to include start and end date
- Name of general manager and key staff along with contact information
- Election/appointment procedure and deadlines
- Board meeting schedule
(Regular meeting agendas must be posted 72 hours in advance pursuant to *Government Code Section 54954.2 (a)(1)* and *Government Code Section 54956 (a)*)
- District's mission statement
- Description of district's services/functions and service area
- Authorizing statute/Enabling Act (Principle Act or Special Act)
- Current district budget
- Most recent financial audit
- Archive of Board meeting minutes for at least the last 6 months
- Link to State Controller's webpages for district's reported board member and staff compensation (*Government Code Section 53908*)
- Link to State Controller's webpages for district's reported Financial Transaction Report (*Government Code Section 53891 (a)*)
- Reimbursement and Compensation Policy
- Home page link to agendas/board packets (*Government Code Section 54957.5*)
- SB 272 compliance-enterprise catalogs (*Government Code Section 6270.5*)

*Excerpt from Special District Leadership Foundation District Transparency Certificate of Excellence Application

The Checklist contains the legally required website items (those items highlighted in light red and ending with a Government Code), along with many of the items SDLF

considers important for special district transparency excellence. Thus, the Grand Jury website review focused on public transparency and did not review compliance of California Government Code § 7922.680 (a) and (b) relevant to machine retrieval of website open data, California Government Code § 7405 associated with website ADA compliance, and California Health and Safety Code § 32139(b) having other specific requirements for healthcare special districts.

During the initial review of all 57 websites, all websites were reviewed several times by multiple Grand Jury members using a point scoring system to determine if A) the website met the legal requirements; and B) if the website exhibited transparency. An initial Transparency score was calculated on all 57 districts before contacting the special districts to review their score. Fifty-four of the 57 special districts were able to schedule a time to meet with the Grand Jury. Due to a report timeline and specific interview requirements, the Grand Jury was unable to meet with the remaining three special districts. Hence, those three special districts who did not meet with the Grand Jury are listed as not interviewed on the table below.

After meeting with the 54 special districts, the Grand Jury did review and re-score the districts' websites again before the report was finalized. This was done due to the overwhelming positive response of those interviewed who wanted to improve their district's Transparency scores as soon as possible. All of the districts interviewed understood the importance of government transparency and wanted to do better and achieve a better transparency score. Many of the special districts updated their websites within hours of the Grand Jury interviews. The results on the Special District Total Transparency Scoring table on pages 10-11 below reflect the re-scoring of the websites.

Scoring

A. Did the Website Meet the Legal Requirements?

The five items highlighted above (on page 7) in the Checklist all needed to be on the district's website for that special district to be compliant. One point was given for each legal requirement met on the website. There were five possible points available for this portion of the scoring. The below Posting Requirements Scoring Legend table

provides a review of the scoring shown on the Special District Total Transparency Scoring table shown below on pages 10-11.

Posting Requirements Scoring Legend	Special District Name	Website meets all 5 Posting requirements	Posting Requirement Points
If all five items were included, then the special district was listed as “Compliant” with a total of five points:	Fully Compliant District Name	Compliant	5
If some of the items were included on the website, but not others, then it was listed as “Partial” (partially compliant) with a point given for each item identified on the website:	Partially Compliant District Name	Partial	
If the special district had an exemption, then it was listed as “Exemption”:	Exempt District Name	Exemption	
If no website was found, then it was noted the district was “No Website”:	No Website District Name	No Website	

B. Is the Website Transparent?

While it is crucial to ensure the independent special districts are meeting legal requirements, transparency is also essential. All 15 items on the Checklist (shown on page 7 above) were included in the Special District Total Transparency scoring table. If the special district website exhibited a line item on the Checklist, it received a point. A perfect score for transparency would be 15. All requirements on the Checklist line item would have to be present for the point to be awarded. The first item on the Checklist, for example, requires the following: “Names of board members and their full terms of office to include start and end date.” If the special district website listed the board members, but did not include their term dates, no point was awarded. The Transparency scoring is shown in the column titled Total Transparency Points in the Special District Total Transparency Scoring table below.

Scoring Results

The Special District Total Transparency Scoring table below reflects the special districts current websites’ scoring (as of May 10, 2024). The data from the grand jurors’ website review were aggregated in a spreadsheet. Point totals given for a website’s legal requirements as well as its website transparency points are shown next to the name of the independent special district. The revenues are also shown for the special

districts to help provide a perspective on the size of the special districts. The table is sorted by legal posting requirement points first, followed by total transparency points.

Special District Total Transparency Scoring					
	Special District Name	Website meets all 5 Posting requirements	Posting Requirement Points (5 possible)	Total Transparency Points (15 possible)	Fiscal Year 2021-2022 Revenue \$'s
1	Fresno Metropolitan Flood Control District	Compliant	5	15	\$34,354,061
2	Panoche Water District**	Compliant	5	15	\$19,746,865
3	Selma - Kingsburg - Fowler County Sanitation District (Fresno)**	Compliant	5	15	\$12,751,386
4	Clovis Memorial District**	Compliant	5	15	\$4,982,812
5	Fresno-Westside Mosquito Abatement District**	Compliant	5	15	\$1,845,696
6	Sanger-Del Rey Cemetery District**	Compliant	5	15	\$1,670,600
7	Laton Community Services District**	Compliant	5	15	\$801,046
8	Selma Cemetery District	Compliant	5	15	\$701,899
9	Biola Community Services District**	Compliant	5	15	\$634,525
10	Pleasant Valley Water District**	Compliant	5	15	\$208,366
11	North Central Fire Protection District	Compliant	5	14	\$13,173,634
12	Fresno Mosquito and Vector Control District	Compliant	5	13	\$2,423,336
13	Fresno County Fire Protection District	Compliant	5	12	\$31,410,140
14	Calwa Recreation and Park District**	Compliant	5	11	\$789,658
15	Kingsburg Cemetery District**	Compliant	5	11	\$705,046
16	Oak Grove Cemetery District (Fresno)**	Compliant	5	11	\$302,387
17	Consolidated Mosquito Abatement District	Compliant	5	10	\$4,187,511
18	Sierra Resource Conservation District	Compliant	5	10	\$3,485,008
19	Panoche Drainage District (Fresno)	Compliant	5	9	\$7,819,577
20	Laguna Irrigation District	Compliant	5	9	\$1,848,572
21	Pinedale Public Utility District	Compliant	5	9	\$405,565
22	Coalinga-Huron Recreation and Park District	Compliant	5	8	\$3,319,407
23	Mercy Springs Water District	Compliant	5	7	\$365,826
24	Central Valley Pest Control District	Compliant	5	5	\$370,945
25	Coalinga Healthcare District** ##	Partial	4	14	\$1,815,438
26	Fresno Irrigation District**	Partial	4	13	\$23,890,061
27	Farmers Water District**	Partial	4	13	\$1,273,777
28	Kings River Conservation District**	Partial	4	12	\$14,231,595

Special District Total Transparency Scoring

	Special District Name	Website meets all 5 Posting requirements	Posting Requirement Points (5 possible)	Total Transparency Points (15 possible)	Fiscal Year 2021-2022 Revenue \$'s
29	Del Rey Community Services District**	Partial	4	10	\$1,560,332
30	Coalinga-Huron Library District	Partial	4	9	\$1,500,617
31	Reedley Cemetery District**	Partial	4	9	\$1,184,273
32	James Irrigation District	Partial	4	8	\$13,260,682
33	Consolidated Irrigation District**	Partial	4	8	\$7,536,688
34	Sierra Cedars Community Services District**	Partial	3	10	\$454,265
35	Westlands Water District	Partial	3	8	\$228,293,978
36	Tranquillity Irrigation District**	Partial	2	6	\$3,152,124
37	Parlier Cemetery District**	Partial	2	6	\$406,273
38	Orange Cove Irrigation District**	Partial	2	5	\$9,322,202
39	Riverdale Irrigation District	Partial	2	4	\$633,114
40	Firebaugh Canal Water District	Partial	2	2	\$8,779,911
41	Riverdale Public Utility District	Partial	2	2	\$1,784,290
42	Orange Cove Fire Protection District	Partial	0	3	\$1,579,525
43	Sierra Kings Health Care District	Partial	0	0	\$3,439,955
44	Widren Water District	Exemption	0	0	\$518,440
45	Camp 13 Drainage District	Exemption	0	0	\$417,869
46	Bald Mountain Fire Protection District	Exemption	0	0	\$213,132
47	Hills Valley Irrigation District	No Website	0	0	\$3,839,395
48	Tri Valley Water District	No Website	0	0	\$1,003,176
49	Fowler Cemetery District	No Website	0	0	\$617,784
50	Fig Garden Police Protection District	No Website	0	0	\$563,901
51	Garfield Water District	No Website	0	0	\$442,098
52	Coalinga-Huron Cemetery District	No Website	0	0	\$363,502
53	Washington Colony Cemetery District	No Website	0	0	\$352,734
54	Kings River Water District	No Website	0	0	\$240,848
55	Caruthers Community Services District	No Interview			\$4,474,321
56	Malaga County Water District	No Interview			\$3,683,113
57	Pinedale County Water District	No Interview			\$3,083,927

**Score Adjusted after contacting Special District

Previously listed as Coalinga Regional Medical Center on the Fiscal Year 2021-2022 CSCO, Special Districts Financial Data website

The Selma Cemetery District and Fresno Metropolitan Flood Control District were the only two special districts to receive perfect scores in the Grand Jury's initial review of the websites. However, other districts were able to update their websites quickly to achieve that perfect score. Some of the most common issues found during the reviews included the following:

- Board member terms with start and end dates were not shown;
- Meeting agendas rather than the required minutes were archived on district websites;
- Websites contained outdated information including former board members and terms and did not publish board member election procedures;
- Websites did not publish current budgets and;
- Websites lacked current financial audits.

Several of the special districts with no websites have already begun the process of developing a website. The Grand Jury recognizes the many challenges, including minimal staffing, staffing turnover, and website costs, that the smaller special districts face in creating and maintaining a website. These smaller districts don't have a dedicated Information Technology person and could have a "staff" made up of volunteers, so, it's understandable it may take a bit longer to see enhanced scores in these smaller districts. But as mentioned above, the districts were up to the challenge.

Conclusion

While independent special districts are not required by law to show all items on the "District Transparency Certificate of Excellence" Checklist on their websites, all items on the Checklist do serve an important purpose. If a citizen is paying taxes to a special district, then the ability to see the district's budget and financial audits is crucial to maintaining trust in the district's governing officials and managers. As evidence of their commitment to open government, special districts who did not receive a perfect score would be well-served by an effort to raise their transparency scores. The Grand Jury encourages all special districts to review the "District Transparency Certificate of Excellence" Checklist above (on page 7) and for those that did not achieve a perfect score to be proactive in adding missing transparency items to their websites. The Grand

Jury also recognizes the hard work, time and expense special districts invest in their public presence, and thank those that continue to work on refining their websites. The following table shows the results of the special districts' hard work stemming from the investigation.

Overall Scoring Results	Before Interviews	After Interviews
Number of Districts with Perfect Transparency Score	2	10
Total Transparency Points	340	431
Number of Compliant Districts	18	24

District scores may generate discussion and even disagreement, and it should be noted the process was a subjective review and composite impression rather than a definitive judgment. However, the Grand Jury believes the overall scores are useful benchmarks, and the presence or absence of points is a useful touchstone for discussion of the work individual special districts need to complete. In the end, the goal is to create “Transparency Excellence” on all special district websites, and if information is clear enough that all reviewers agree on a perfect score of 15 there would be no doubt the websites meet public needs. From this investigation, it initially appeared that most Fresno County independent special districts had work to do in improving their website transparency. However, after the Grand Jury spoke to the districts, the special districts all agreed that they could do better and many did the work to make it better today. This work is achievable and we look forward to seeing the results in increasingly transparent special district websites.

Findings

F1 There were 11 special districts with no website although 3 of these districts had an exemption.

F2 There were 19 special districts with partially compliant websites.

F3 Twenty-four websites met the five legal website requirements noted on the “District Transparency Certificate of Excellence” Checklist.

F4 Not all the websites are as transparent as they could be and only ten special districts:

- Biola Community Services District
- Clovis Memorial District
- Fresno Metropolitan Flood Control District
- Fresno-Westside Mosquito Abatement District
- Laton Community Services District
- Panoche Water District
- Pleasant Valley Water District
- Sanger-Del Rey Cemetery District
- Selma Cemetery District
- Selma - Kingsburg - Fowler County Sanitation District

received a perfect transparency score based on the “District Transparency Certificate of Excellence” Checklist.

Recommendations

R1 All non-exempt special district Board of Directors with no website should create a dedicated website to ensure the district meets the requirements of SB 929 by December 31, 2024. (F1)

R2 All special district Board of Directors that are partially compliant should update their website to ensure they meet the requirements of SB 929 by December 31, 2024. (F2)

R3 All special district Board of Directors that are not exempt should use the “District Transparency Certificate of Excellence” Checklist to improve their website transparency by December 31, 2024. (F4)

Required Responses

Pursuant to Penal Code section §933.05, the following responses are required from the Board of Directors of each district listed below within 90 days of receipt of this report for the following Recommendations and Findings:

	Special District Name	Recommendations (Findings)		
		R1 (F1)	R2 (F2)	R3 (F4)
1	Calwa Recreation and Park District			X
2	Central Valley Pest Control District			X
3	Coalinga Healthcare District		X	
4	Coalinga-Huron Cemetery District	X		X
5	Coalinga-Huron Library District		X	X
6	Coalinga-Huron Recreation and Park District			X
7	Consolidated Irrigation District		X	X
8	Consolidated Mosquito Abatement District			X
9	Del Rey Community Services District		X	X
10	Farmers Water District		X	X
11	Fig Garden Police Protection District	X		X
12	Firebaugh Canal Water District		X	X
13	Fowler Cemetery District	X		X
14	Fresno County Fire Protection District			X
15	Fresno Irrigation District		X	X
16	Fresno Mosquito and Vector Control District			X
17	Garfield Water District	X		X
18	Hills Valley Irrigation District	X		X
19	James Irrigation District		X	X
20	Kings River Conservation District		X	X
21	Kings River Water District	X		X
22	Kingsburg Cemetery District			X
23	Laguna Irrigation District			X

	Special District Name	Recommendations (Findings)		
		R1 (F1)	R2 (F2)	R3 (F4)
24	Mercy Springs Water District			X
25	North Central Fire Protection District			X
26	Oak Grove Cemetery District (Fresno)			X
27	Orange Cove Fire Protection District		X	X
28	Orange Cove Irrigation District		X	X
29	Panoche Drainage District (Fresno)			X
30	Parlier Cemetery District		X	X
31	Pinedale Public Utility District			X
32	Reedley Cemetery District		X	X
33	Riverdale Irrigation District		X	X
34	Riverdale Public Utility District		X	X
35	Sierra Cedars Community Services District		X	X
36	Sierra Kings Health Care District		X	X
37	Sierra Resource Conservation District			X
38	Tranquillity Irrigation District		X	X
39	Tri Valley Water District	X		X
40	Washington Colony Cemetery District	X		X
41	Westlands Water District		X	X

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Placer County Grand Jury Report 2020-2021. "Independent Special Districts and the Local Agency Formation Commission." https://www.placer.courts.ca.gov/sites/default/files/2020-2021-final-report-final-version_1.pdf.

San Mateo County Civil Grand Jury Report 2016-2017. "Can We See You Now? San Mateo County's Independent Special Districts Website Transparency Update." https://www.sanmateorcd.org/wp-content/uploads/2017/08/2016-17_grand_jury_website_transparency.pdf.

Special District Leadership Foundation. “Programs, Transparency, Transparency Checklist and Application.” ([2023_SDLF_District-Transparency-Application.pdf](#)).

Streamline. <https://www.getstreamline.com/>.

Surka, Michelle, U.S. PIRG Education Fund, Cross, Rachel, Frontier Group, “Governing in the Shadows - Rating the Online Financial Transparency of Special District Governments,” April 2017.
<https://frontiergroup.org/wp-content/uploads/2017/04/Following-the-Money-Governing-in-the-Shadows-April-2017.pdf>.

Tulare County Civil Grand Jury Report 2022-2023. “Special Districts Website Requirement.”
<https://tularecounty.ca.gov/grandjury/reports/2022-2023-final-report/>.

Appendix A

Website addresses of the 57 initially reviewed special districts:

	Special District Name	Website
1	Bald Mountain Fire Protection District	No Website
2	Biola Community Services District	https://www.biolacsd.org/
3	Calwa Recreation and Park District	https://www.calwarecreation.org/
4	Camp 13 Drainage District	No Website
5	Caruthers Community Services District	https://carutherscsd.com/index.html
6	Central Valley Pest Control District	https://centralpest.specialdistrict.org/
7	Clovis Memorial District	https://www.cvmdistrict.org/
8	Coalinga Healthcare District	https://coalingahd.org/
9	Coalinga-Huron Cemetery District	No Website
10	Coalinga-Huron Library District	https://coalingahuronlibrary.specialdistrict.org/
11	Coalinga-Huron Recreation and Park District	https://chrpd.org/
12	Consolidated Irrigation District	https://cidwater.com/
13	Consolidated Mosquito Abatement District	https://www.mosquitobuzz.net/
14	Del Rey Community Services District	https://www.delreycsd.com/

	Special District Name	Website
15	Farmers Water District	https://www.farmerswd.com/
16	Fig Garden Police Protection District	No Website
17	Firebaugh Canal Water District	https://firebaughcanal.com/
18	Fowler Cemetery District	No Website
19	Fresno County Fire Protection District	https://www.fresnocountyfire.org/
20	Fresno Irrigation District	https://www.fresnoirrigation.com/
21	Fresno Metropolitan Flood Control District	https://www.fresnofloodcontrol.org/
22	Fresno Mosquito and Vector Control District	https://www.fresnomosquito.org/
23	Fresno-Westside Mosquito Abatement District	https://www.fresnowestmosquito.com/
24	Garfield Water District	No Website
25	Hills Valley Irrigation District	No Website
26	James Irrigation District	https://www.jamesid.org/
27	Kings River Conservation District	https://krcd.org/
28	Kings River Water District	No Website
29	Kingsburg Cemetery District	https://kingsburgcemetery.specialdistrict.org/
30	Laguna Irrigation District	https://www.lagunaid.com/
31	Laton Community Services District	http://latoncsd.com/
32	Malaga County Water District	https://www.malagacwd.org/
33	Mercy Springs Water District	https://mercyspringswd.specialdistrict.org/
34	North Central Fire Protection District	https://www.northcentralfire.org/
35	Oak Grove Cemetery District (Fresno)	https://ogcd.specialdistrict.org/
36	Orange Cove Fire Protection District	https://www.orangecovefire.com/
37	Orange Cove Irrigation District	http://orangecoveid.org/
38	Panoche Drainage District (Fresno)	https://panochedrainage.specialdistrict.org/
39	Panoche Water District	https://panochewd.specialdistrict.org/
40	Parlier Cemetery District	https://parliercemetery.com/
41	Pinedale County Water District	http://www.pcwdonline.com/
42	Pinedale Public Utility District	https://ppud.specialdistrict.org/
43	Pleasant Valley Water District	https://pleasantvalleywaterdistrict.com/
44	Reedley Cemetery District	https://www.reedleycemetery.com/
45	Riverdale Irrigation District	https://www.riverdaleirrigationdistrict.org/
46	Riverdale Public Utility District	https://riverdalepublicutilitydistrict.com/
47	Sanger-Del Rey Cemetery District	https://www.sangerdelreycemetery.com/
48	Selma - Kingsburg - Fowler County Sanitation District (Fresno)	https://www.skfcsd.org/
49	Selma Cemetery District	https://www.selmacam1.com/
50	Sierra Cedars Community Services District	https://sierracedars.com/

	Special District Name	Website
51	Sierra Kings Health Care District	https://www.skhcd.org/
52	Sierra Resource Conservation District	https://sierrarcd.com/
53	Tranquillity Irrigation District	https://trqid.com/
54	Tri Valley Water District	No Website
55	Washington Colony Cemetery District	No Website
56	Westlands Water District	https://wwd.ca.gov/
57	Widren Water District	No Website



FRESNO COUNTY GRAND JURY

FINAL REPORTS AND RESPONSES

RESPONSES TO REPORT #5

From
**CALWA RECREATION
& PARK DISTRICT**
and
**THE COALINGA - HURON
RECREATION & PARK
DISTRICT**
and
**THE COALINGA
HEALTHCARE DISTRICT**
and
**THE COALINGA - HURON
CEMETERY DISTRICT**
and
**THE CONSOLIDATED
IRRIGATION DISTRICT**
and
**THE CONSOLIDATED
MOSQUITO ABATEMENT
DISTRICT**
and
**THE FARMERS WATER
DISTRICT**
and
**THE FRESNO COUNTY
FIRE PROTECTION
DISTRICT**
and
**THE FRESNO IRRIGATION
DISTRICT**
and
**THE FRESNO MOSQUITO
AND VECTOR CONROL
DISTRICT**

From
**THE HILLS VALLEY
IRRIGATION DISTRICT**
and
**THE JAMES
IRRIGATION DISTRICT**
and
**THE KINGS RIVER
CONSERVATION
DISTRICT**
and
**THE KINGS RIVER
WATER DISTRICT**
and
**THE KINGSBURG
CEMETERY DISTRICT**
and
**THE LAGUNA
IRRIGATION DISTRICT**
and
**THE MERCY SPRINGS
WATER DISTRICT**
and
**THE NORTH CENTRAL
FIRE PROTECTION
DISTRICT**
and
**THE ORANGE COVE
FIRE PROTECTION
DISTRICT**
and
**THE ORANGE COVE
IRRIGATION DISTRICT**

From
**THE ORANGE COVE
IRRIGATION DISTRICT**
and
**THE PANOCHE
DRAINAGE DISTRICT**
and
**THE PINEDALE PUBLIC
UTILITY DISTRICT**
and
**THE REEDLEY
CEMETERY DISTRICT**
and
**THE SIERRA CEDARS
COMMUNITY SERVICES
DISTRICT**
and
**THE SIERRA KINGS
HEALTH CARE DISTRICT**
and
**THE TRANQUILITY
IRRIGATION DISTRICT**
and
**THE WASHINGTON
COLONY
CEMETERY DISTRICT**
and
**THE WESTLANDS
WATER DISTRICT**
and
**TRI-VALLEY
WATER DISTRICT**



January 2, 2025,

The Honorable Houry A. Sanderson, Presiding Judge
Fresno County Superior Court
1100 Van Ness Avenue
Fresno, CA 9374-0002

Judge Sanderson,

Please find attached the Calwa Recreation & Park District response to the Grand Jury Report #5.

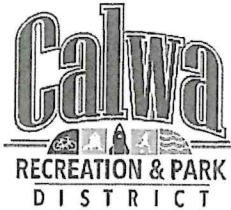
Very truly yours,

Tim Chapa, District Administrator, Calwa Recreation and Park District

Attachments: Staff Report Response

December 30, 2024 Special Meeting Agenda

Email Communication with Barbara Rogers, Fresno County Grand Jury



For the Meeting of: 12/30/2024

Item: E.5

**CALWA RECREATION & PARK DISTRICT
REPORT TO THE BOARD**

TO: Board of Directors

FROM: Tim Chapa, District Administrator

SUBJECT: Response to Grand Jury Report No. 5 "Fresno County Special District Website Transparency: Seeing Your Dollars at Work"

ATTACHMENTS: Report No. 5

RECOMMENDATION:

That the Board approve the draft response to the Grand Jury recommendation.

SUMMARY:

The Grand Jury issued its report No. 5 on Special District Website Transparency and requires a response to their report.

BACKGROUND:

The report reviewed 28 Special Districts in Fresno County, including our District. We were found to be compliant with meeting the basic requirements, and received a ranking of 14th on meeting the total Transparency Points available. The report recommends that all Districts achieve a perfect score.

Specifically, Recommendation 3 is as follows:

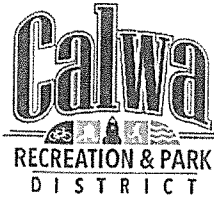
"All special district Board of Directors that are not exempt should use the "District Transparency Certificate of Excellence" Checklist to improve their website transparency by December 31, 2024."

An appropriate Response is as follows:

"The Calwa Recreation & Park District was found to be compliant with the basic requirements as well as achieving 11 of the total 15 Total Transparency Points according to the "District Transparency Certificate of Excellence" Checklist. The District will continue to strive to improve its website transparency, subject to budgetary constraints, by June 30, 2025."

FISCAL IMPACT:

NA



**CALWA RECREATION & PARK DISTRICT
MEETING AGENDA**

www.calwarecreation.org

**SPECIAL BOARD MEETING
NOTICE AND AGENDA
December 30, 2024
4545 E. Church Ave, Fresno CA 93725
6:00 PM**

BOARD CHAIRPERSON

Esmeralda Zamora, Chair

DISTRICT ADMINISTRATOR

Tim Chapa

BOARD VICE CHAIR

Raul Guerra Vice Chair

DISTRICT COUNSEL

Hilda Cantú Montoy

BOARD MEMBERS

Joseph Perez, Board Member

Laura Garcia, Board Member

Mary L. Rosales, Board Member

The Board welcomes you to its meetings and encourages you to participate at the meeting. This agenda contains a brief general description of each item that will be considered by the Board. All persons who attend the meeting are asked to silence pagers, cell phones, and other devices that may disrupt the Board meeting. The Board may consider and act on an agenda item in any order it deems appropriate.

CALL TO ORDER AND ROLL CALL

- A. INVOCATION AND FLAG SALUTE**
- B. APPROVAL OF AGENDA**
- C. PUBLIC COMMENTS**

Members of the public who wish to address the Board on matters on this agenda may address the Board when the item is called. Each individual is limited to three minutes. When addressing the Board, you are requested to come forward to the speaker's microphone, state your name and address, and then proceed with your comments. Speakers are requested to wait until recognized by the Board Chair.

D. CONSENT CALENDAR

All items listed under Consent Calendar are considered to be routine and will be enacted by one motion. For discussion of any Consent Item, it will be considered separately at the request of any member of the Board or any person in the audience.

E. NEW BUSINESS

1. **SUBJECT:** Appointment in Lieu of Election and Administration of Oath of Office for Board Members Laura Garcia and Mary Rosales.

RECOMMENDATION: That the Oath of Office be Administered to Board Members Laura Garcia and Mary Rosales who were Appointed in Lieu of Election and that Resolution 2024-13 so stating be approved.

2. **SUBJECT:** Vendor Agreement Renewals

RECOMMENDATION: That the Board consider renewing Vendor Agreements for the Calendar Year 2025.

Snack Bar – Blanca Parra & Efren Sanchez
Zumba – Johana Espinoza
Recycling – Maria Del Carmen Parra Bucio
Karate – Cruz Delgado

3. **SUBJECT:** Revision to Vacation Policy

RECOMMENDATION: That the Board consider amending its Vacation Policy regarding accruals, caps and annual payouts.

4. **SUBJECT:** Update on Futsal Project, Prop 68 Project, and Swimming Pool Project

RECOMMENDATION: That the Board hear the verbal update and provide direction as appropriate.

5. **SUBJECT:** Response to Grand Jury Report No. 5

RECOMMENDATION: That the Board respond to Grand Jury Report No. 5, striving to meet District Website Transparency.

6. **SUBJECT:** 2025 Minimum Wage Increase and Associated Update to Salary Resolution

RECOMMENDATION: That the Board update its Salary Resolution 2024-15 as appropriate to reflect the upcoming 2025 Minimum Wage Increase to \$16.50 per hour.

F. BOARD MEMBER COMMUNICATIONS/REQUESTS FOR FUTURE AGENDA ITEMS

(No discussion; only brief reports or requests for future agenda items)

G. ADJOURNMENT

Access to Agenda. Generally, agenda packets and other public documents are available for inspection by the public at the District Office located at 4545 E. Church Avenue, Fresno, CA. You may request meeting agendas by email, you can ask to be added to the mailing list by calling (559) 264-6867 or send your request by email to info@calwarecreation.org. The agenda packet is posted at www.calwarecreation.org.

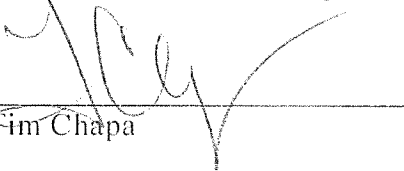
Reasonable Accommodation. Requests for accommodations for persons with disabilities such as signing services, assistive listening devices, or alternative format agendas and reports needed to assist participation in this public meeting may be made by calling 559-264-6867 or emailing tchapa@calwarecreation.org

Español. Para asistencia en español sobre este aviso, por favor llame a (559) 264-6867.

NEXT REGULAR MEETING: January 21, 2025.

Certification of Posting

I declare under penalty of perjury that I am employed by the Calwa Recreation and Park District and that I posted this Agenda on the bulletin board in the Calwa Recreation District Office, on the front door window of the District Office, and on the website at www.calwarecreation.org on December 27, 2024.



Jim Chapa