

FRESNO COUNTY GRAND JURY

FINAL REPORT



2000 - 2001

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FRESNO COUNTY GRAND JURY

2000–2001



PRESIDING JUDGE OF THE FRESNO COUNTY SUPERIOR COURTS

**Hon. Gary D. Hoff
Presiding Judge**

FRESNO COUNTY GRAND JURY

2000-2001

2000–2001 FRESNO COUNTY GRAND JURY

From Left to Right

Front Row:

**Fred Goldring, Walter Blore (Foreman), Louis Olais, Otto Berg,
Linda Little, Donald Wilson**

Middle Row:

**Bob Boehringer, Tom Spencer, Rene Lastreto, Richard Allen,
Juliana Pherson**

Back Row:

**Jim Torosian, Richard Gaston, Pat Daher, Richard Key, Ann Thaxter,
Leo Shishmanian, Mike Kapigian**

Not Pictured:

Jim Cotton

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June 11, 2001

The Honorable Gary D. Hoff
Presiding Judge Superior Court
County of Fresno
1100 Van Ness
Fresno, CA 939721

Dear Judge Hoff:

Attached is the 2000/2001 Fresno County Grand Jury Final Report.

The Grand Jury thanks you, Judge Hoff, for your guidance, counsel and availability. Phillip Cronin, County Council and Assistant District Attorney, Bob Ellis were outstanding counselors and advisors. Sherry Spears, Juror and Public Services Division Manager was invaluable in her service and assistance to the jury.

At the very beginning of our year, we were fortunate to have two representatives of the California Grand Jury Association spend the day with us. They provided instruction and insight into the job of being a Grand Juror. This training is invaluable and the cost should be included in the annual Grand Jury budget.

The 2000/2001 Grand Jury began its year with several mandates from the 1999/2000 Grand Jury. This jury continued to study:

- Financing of the Downtown Stadium
- Investment of the Public Guardian funds
- Operations of the Coroner's office
- Fresno Police Department Property Room Management

As the year progressed the jury received many complaints from citizens and reviewed all of them. Some of the complaints were frivolous, some were part of other investigations, a few were in litigation and the remainder were investigated. The results of those investigations are the basis for this report.

The largest amount of time was devoted to the City of Parlier, after a citizen's complaint about mismanagement and corruption within that City's administration. The result of this investigation constitutes nearly one-half of the Grand Jury's report.

In defense of the City of Parlier, I feel it is safe to say that the same problems exist in many smaller cities in the County. With the advent of Federal and State grants, the bookkeeping necessary for small cities can no longer be done from a single ledger book. Many funds, each with its own system of accounting demand separate attention.

Finally, the jury was disappointed that the executive committee of the Superior Court rejected publishing the Grand Jury Report as a tabloid insert in the local newspaper. The argument that those named in the report have no chance to have their responses included is specious. The Superior Court holds a press conference in July to release the report without responses to the press and public. The tabloid insert would get the report to all the people. This is the purpose of the Grand Jury.

Service on the Grand Jury has been an educating and rewarding experience for all of us. We are better citizens as the result of serving.

I thank you for the opportunity to serve as Foreman for the 2000/2001 Fresno County Grand Jury.

Sincerely,

Walter E. Blore
Foreman

Introduction to the Grand Jury

The Fresno County Grand Jury is a volunteer body of nineteen Fresno County citizens charged and sworn to conduct and respond to citizen's complaints. It is also charged to inquire into matters of civil concern within the boundaries of Fresno County and incorporated cities within these boundaries. Grand Jury duties, powers, responsibilities, qualifications and the selection process are set forth in the California Penal Code section 888.

The Grand Jury reviews and evaluates procedures, methods and systems used by governmental agencies. It determines whether they comply with the state objectives of the agency and if their operation can be made more efficient and effective.

The Grand Jury functions lawfully only as a body; no individual grand juror acting alone has any power or authority. Meetings of the Grand Jury are not open to the public. All matters discussed before the Grand Jury and votes taken are required by law to be kept private and confidential. The end results as a Final Report is released to the Presiding Judge. After his approval the Final Report is released to the public.

2000-2001 FRESNO COUNTY GRAND JURY ROSTER

Name	City
Walter Blore, Foreman*	Fresno
Richard Allen	Fresno
Otto Berg	Fresno
Bob Boehringer*	Fresno
James Cotton	Fresno
Pat Daher*	Fresno
Richard Gaston	Fresno
Fred Goldring*	Fresno
Mikie Kapigian*	Fresno
Richard Key	Fresno
Rene Lastreto	Fresno
Linda Little*	Fresno
Louis Olais	Fresno
Juliana Pherson	Fresno
Dr. Leo Shishmanian	Fresno
Tom Spencer	Fresno
Ann Thaxter	Fresno
James Torosian	Fresno
Donald Wilson	Fowler

*1999/2000 Grand Jury Holdovers



THE COUNTY OF FRESNO

2000 – 2001 FRESNO COUNTY GRAND JURY OFFICERS

Foreperson	Walter Blore
Foreperson Pro Tem	Fred Goldring
Secretary	Linda Little
Sergeant-at-Arms	Tom Spencer

EDITING AND PUBLISHING COMMITTEE

Chairperson	Pat Daher
Member	Otto Berg
Member	Richard Key
Member	Linda Little
Member	Juliana Pherson
Member	Leo Shishmanian
Member	Tom Spencer
Ex Officio	Walter Blore
Ex Officio	Fred Goldring

AD HOC COMMITTEE

Rick Allen, Co-Chair

James Torosian, Co-Chair

James Cotton

Fred Goldring

Mikie Kapigian

Louis Olais

Juliana Pherson

Ann Thaxter

Donald Wilson

AD HOC COMMITTEE -THE CITY OF PARLIER

INTRODUCTION

On June 6, 2000, the 1999/2000 Grand Jury logged its first complaint from a citizen of the City of Parlier, regarding alleged improper handling of the painting of the Parlier City Hall. The 1999/2000 Grand Jury referred this complaint to the 2000/2001 Fresno County Grand Jury.

Initial interviews with senior city officials exposed contravening testimony and disclosed other instances of questionable conduct. The investigation revealed several areas of concern and spawned additional complaints. Complaints were received from officials currently employed, as well as former employees, former officials and private citizens. Eventually the magnitude of the complaints grew to a point where concerns encompassed virtually every area of local government.

The foreman authorized an ad hoc committee composed of members of the county and law committees. This provided sufficient staff to fully pursue the investigative and interrogatory requirements of the investigation.

The Ad Hoc Committee logged over 70 member visits to the City of Parlier. The Grand Jury visited all of the city facilities and interviewed citizens of Parlier as well as city employees. The Grand Jury logged and recorded testimony from over 43 separate individuals, including all elected officials and designated department heads. In testimony it was alleged that malfeasance, misfeasance and nonfeasance occurred within the City of Parlier.

Some of the testimony received indicated that complaints and evidence had been turned over to other agencies with more senior investigative powers. The County Grand Jury detaches itself from any investigation, which may be considered by other agencies. These agencies set their own thresholds of involvement and their own timetables for investigation.

After removing matters to be reviewed by other agencies, a substantial number of residual concerns remained, which the Grand Jury has addressed in the following reports.

Financial irregularities and seemingly incongruent annual statements were of concern to the Grand Jury. The presiding Judge of the Superior Court authorized the Office of the Fresno County Auditor-Controller/Treasurer-Tax Collector (Auditor) to assist in auditing the matters in question. At the request of the Grand Jury, the Auditor conducted a fiscal review of the City of Parlier's financial statements for fiscal years ending June 30, 1999 and June 30, 2000. The Auditor also reviewed the Redevelopment Agency, special revenue funds, grant programs, and related financial transactions involving restricted

revenues for these fiscal years. The Grand Jury voted to adopt this Audit Report in its entirety and make it a portion of this 2000/2001 report. The Grand Jury also adopted the findings, recommendations and conclusions contained in this document as its own. The results of the Auditor's investigation are independently included in this report.

Grand Jury testimony is secret and confidential. Personal revelations of witnesses are omitted from this report. There is no nominal attribution in this report. There is no direct mention of personnel matters, which are considered confidential.

All references in this report to the City of Parlier Municipal Code (PMC) will be to the City of Parlier Municipal Code (as revised 1997).

Reports on the following areas of concern within the City of Parlier are submitted herewith:

- A. The Parlier Paint Project
- B. Carpeting of the Parlier City Hall
- C. The City of Parlier Animal Control
- D. Personnel Management within the City of Parlier
- E. The Parlier Police Department
- F. Nepotism in the City of Parlier
- G. Code Enforcement in the City of Parlier
- H. Personnel Hearing Board
- I. City of Parlier Audit Report for the Fiscal Years Ended June 30, 1999 and June 30, 2000, conducted by the Fresno County Auditor-Controller/Treasurer-Tax Collector.
 - a) The Parlier Redevelopment Agency (RDA).
 - b) Questions regarding the activities of Parlier Finance Director and others dealing with the presentation and content of the budget and year end statement.
 - c) Mishandling of State and Federal grants as well as improprieties which may have caused the loss of selected funds.

April 13, 2001

Walter Blore, Foreman
Fresno County Grand Jury
2220 Tulare Street, Suite 1100
Fresno, California 93721

As requested by the Fresno County Grand Jury, the Fresno County Auditor-Controller/Treasurer-Tax Collector's Office has completed a fiscal review of the City of Parlier's financial statements for fiscal years ended June 30, 1999 and June 30, 2000. We also reviewed special revenue funds, grant programs, and related financial transactions involving restricted revenues for these fiscal years. Our review was conducted in accordance with generally accepted auditing standards, and the objectives of our review were to determine whether:

- The City of Parlier has accounted for restricted revenues in accordance with generally accepted accounting principles and in compliance with applicable agreements and regulations.
- The City of Parlier has expended special revenue funds in compliance with applicable codes, regulations, and grant agreements.
- The Parlier Redevelopment Agency has granted loans appropriately and complied with redevelopment laws and regulations.
- The eight reportable conditions listed in Parlier's June 30, 1999 audit report were corrected as stated in the June 30, 2000 audit report.

Our fiscal review included the following special revenue funds and grant programs:

- Parlier Redevelopment Agency
- Community Development Block Grant
- Child Development Grant
- Measure "C" – Transportation Authority, Sales Tax Proceeds

- Highway User Tax (Gas Tax)
- Local Transportation Fund
- Local Law Enforcement Block Grant
- COPS Grant AB3229
- Universal Hiring Grant (COPS)
- Office of Emergency Services
- Transportation Equity Act

Our review of the above special revenue funds and grant programs included review and analysis of financial records and testing of financial transactions on a sample basis. Parlier's \$16,586 Workforce Development Grant, which was initially considered for review, was not reviewed due to time constraints and the low dollar amount of the program. We also reviewed Parlier's financial statements to determine whether special revenue funds were reported appropriately and to identify any unusual account balances and/or classifications.

The following are findings and recommendations developed as a result of our fiscal review. It is important to note that a review, such as our review of Parlier's financial statements, restricted revenue programs, and related transactions, will not detect all instances of non-compliance with applicable codes, regulations and laws.

General

Findings #1, 2 & 3

The City of Parlier applies overhead costs incurred by various general fund departments including Administration, City Council, Finance, Community Development, and Recreation and Leisure to special revenue funds. These overhead costs include general fund salaries/benefits, utilities, insurance and other costs. In addition, we found an expenditure in the amount of \$48.35 for painting the City Hall Finance Department in the Local Transportation Fund. Additional costs related to this expenditure may have been allocated to other funds. Based on our review of the regulations and guidelines for the special revenue funds/programs identified below, the related discretionary monies should be used for costs incurred that are directly related to the fund program. Therefore, costs incurred in other funds/departments may be chargeable to special revenue funds if such costs can be directly identified to the special revenue funds or grant programs. In addition, the regulations that we reviewed did not address the application of overhead costs. Therefore, clarification on the allowableness of such charges should be obtained from the related regulatory entities. These entities may allow indirect/overhead costs to be charged to special revenue funds and grant programs if they are reasonably supported by applicable documentation such as time tracking, time studies, or cost allocation methodologies such as that

provided in Office of Management and Budget Circular A-87 (OMB-A87), which is the cost allocation guideline used for federally funded programs.

Based on our review of the expenditures incurred in Parlier’s special revenue funds, there is insufficient support to indicate that the general fund costs charged to these funds are related to the restricted program requirements. Instead, the Finance Director “estimates” percentages of general fund overhead costs to be charged to various funds when the City’s budget is prepared. According to Parlier staff, these “estimates” are based on prior year budgets and management’s knowledge that departmental staff perform duties related to various special revenue funds, even though time is not tracked for the staff. Parlier does not have support to show how prior year budget allocations were determined. This cost allocation basis appears to be insufficiently supported and does not clearly show a relationship between the costs incurred and the program purpose. The appropriate regulatory entities should be contacted to determine whether Parlier’s current cost allocation basis is appropriate for the related program/grant.

In addition, rather than incurring these overhead costs in the general fund and allocating/transferring the costs to special revenue funds, payments are made directly from these funds up to the overhead amount budgeted. For example, an invoice for \$100 relating to a transaction in the Finance Department is not originally paid out of the Finance Department and then transferred to another fund or funds as/if appropriate. Instead, one or more recipient funds appropriate and pay for this \$100 directly. These special revenue funds continue to pay general fund departments’ overhead bills directly until all overhead-related appropriations are exhausted. Sound accounting/budgeting practices provide that appropriations and expenditures should initially be recorded in the originating department/fund where the activities are incurred. These costs could then be transferred to the recipient fund as/if appropriate. This also provides for a more clear audit trail.

Based on our review, we noted the following amounts of insufficiently supported overhead costs that were charged to the funds listed below. We also determined the percentage of these costs to fund expenditures for the fiscal years ended June 30, 1999 and June 30, 2000 as follows:

<u>Fund</u>	<u>1998/99</u> <u>Amount</u>	<u>% of</u> <u>Exp.</u>	<u>1999/00</u> <u>Amount</u>	<u>% of</u> <u>Exp.</u>
Highway User Tax (Gas Tax)	\$ 18,686	12%	\$ 45,069	25%
Local Transportation Fund	18,832	21%	44,098	25%
Measure C–Trans. Auth., Sales Tax Proceeds	19,982	25%	39,144	42%
Parlier Redev. Agency – Capital Projects	118,738	47%	168,327	25%
Parlier Redev. Agency – Low Income Housing	<u>91,986</u>	72%	<u>96,964</u>	79%
Total	<u>\$268,224</u>		<u>\$393,602</u>	

Based on the above, it appears that excessive overhead charges were applied to the special revenue funds (i.e. as much as 79% of total expenditures for the Parlier Redevelopment Agency – Low Income Housing special revenue fund). The City of Parlier does not have sufficient supporting documentation justifying their overhead charges and therefore may not be in compliance with the requirements for the utilization of these discretionary revenues. As a result, the City may be jeopardizing current and future funding from a variety of sources.

In addition, without an appropriate allocation process to support the allocation of general fund expenditures to special revenue funds/grant programs, it appears that the City of Parlier is financing general fund expenditures through these special revenue funds and grant programs.

Recommendation #1

To be in compliance with the above restricted revenue requirements and regulations and to eliminate the appearance that restricted revenues are being used to fund general fund expenditures, the City of Parlier should ensure that such restricted revenues are clearly used for the related program purposes. Costs charged to the special revenue funds should reflect actual costs attributable to the program and should be supported by applicable documentation such as time tracking. The City of Parlier should obtain clarification from the applicable regulatory agency to determine if their current cost allocation methodology is acceptable.

Recommendation #2

In the absence of fully supportable cost allocation methodologies or regulatory approval of existing cost allocation methodologies, the City of Parlier should reverse the \$268,224 and \$393,602 in overhead costs charged to the special revenue funds listed above. In addition, any other insufficiently supported cost allocations that were not noted in this report should also be reversed.

Recommendation #3

In order to provide for sound accounting and budgeting practices and to ensure a clear audit trail, appropriations and expenditures should be initially recorded in the originating department/fund where the activities are incurred.

Finding #4

During fieldwork it was noted that a check was issued to the Finance Director on August 6, 1998 in the amount of \$1,504.31 for training reimbursement. The Finance Director also authorized the payment and signed the check. It is the City Manager's policy to approve the warrant register, which he believes provides proper segregation of duties. However, based on our review, the warrant register does not provide details of each payment, just check totals. Therefore, the City Manager's approval of the warrant register does not indicate that he approved the contents of the payment. At a minimum, internal controls require segregation of duties which provides an adequate level of review. Although this can be difficult in a small office like Parlier's Finance Department, the City Manager should review and approve the payment contents as well as payment totals, when the Finance Director is the payee.

Recommendation #4

The City of Parlier Finance Department should implement procedures that provide segregation of duties related to accounts payable. Specifically, the person who approves payments should not be the same person who signs checks and submits requests for payments. When it is necessary for the

Finance Director to submit a request for payment, the payment should be sufficiently reviewed and approved by another authorized staff member (e.g. the City Manager).

Finding #5

It was noted during fieldwork that Parlier's City Manager and Finance Director utilize City credit cards. Purchases for office equipment, travel and meetings, etc. are made using these credit cards, and in 9 out of 11 (81%) credit card statements reviewed, receipts were not attached to the statements to support the expenditures. Only vendor names and handwritten general descriptions were included on the statements. We further tested 3 of the above 9 statements and determined that \$117.11 of the insufficiently supported expenditures on a statement totaling \$684.51 was attributable to Parlier's Redevelopment Agency. In addition, \$525.17 and \$177.07 of the expenditures on two other statements totaling \$5,037.59 and \$1,980.00, respectively, were attributable to the Measure C – Transportation Authority, Sales Tax Proceeds fund (Measure C).

In addition, when costs are charged to the Measure C program that cannot be substantiated and, therefore may not be in compliance with program requirements, Parlier's future allocations may be withheld and reimbursements of such funds to the Fresno County Auditor-Controller/Treasurer-Tax Collector may be required. Such funds would only be released when exceptions are resolved and Parlier is in compliance with program requirements.

Compliance issues regarding redevelopment agencies are addressed by various regulatory agencies as explained in the Parlier Redevelopment Agency section on page 6.

Recommendation #5

To strengthen internal controls over expenditures in special revenue funds and to ensure that funding does not need to be reimbursed or that future funding is withheld, the City of Parlier should ensure that program costs incurred are fully supported and are in compliance with program requirements. This can be achieved in part by requiring that receipts for credit card purchases be retained for supporting documentation and submitted to the Finance Department for review and approval.

Finding #6

It was noted during testing of expenditures, that the Finance Director used the City of Parlier's Office Depot credit card on two separate occasions to purchase personal items such as movie videos, games, a chair, bookcases, etc. totaling \$768.06. Both the Finance Director and City Manager stated the card was used by mistake and that actions were taken to reimburse the City through payroll deductions. However, when this matter was brought to the Finance Director's attention by our audits staff, the Finance Director researched and determined that Parlier had not yet been reimbursed. Although this matter should have been followed up more timely, on April 2, 2001, the Finance Director did reimburse the City \$914.77 which includes interest.

Recommendation #6

To prevent losses and enhance internal controls, the City of Parlier should immediately implement procedures to ensure that the City's charge accounts and credit cards are not used for personal purchases.

Parlier Redevelopment Agency (RDA)

Compliance issues involving redevelopment funding are addressed by the State Controller's Office, the State Attorney General and the Court. Based on Section 33080.8 of California's Health & Safety Code, the State Controller compiles lists of redevelopment agencies that appear to have uncorrected major violations, based on the annual independent audit reports filed by such agencies. The Attorney General can pursue filing lawsuits against redevelopment agencies having uncorrected violations, and the Court can prohibit the agency from performing various activities until the Court determines that the major violations are corrected.

Since the RDA's annual audit reports for 1998/99 and 1999/00 contained unqualified opinions, it is unlikely that it was determined that Parlier had any major violations, and it is not known what actions, if any, the above regulatory entities would take as a result of the redevelopment findings noted in this separate report. This report may affect the findings and opinion of independent accounting firms performing future redevelopment audits; however, it is not known if these findings would be considered major violations by the State Controller, Attorney General and Court.

Finding #7

Health & Safety Code Section 33490 requires redevelopment agencies to submit a 5-year plan to the State Controller's Office on or before December 31, 1994 and every 5 years thereafter. The RDA submitted a 5-year plan in 1994. However, based on information provided, Parlier's 5-year plan, which was due on or before December 31, 1999, had not been submitted to the State Controller's Office as of the date of this review.

Recommendation #7

In compliance with the above code sections and to ensure that funding is not withheld, the RDA should immediately submit a 5-year plan to the State Controller's Office and submit all future required documents when due.

Finding #8

It was noted that the RDA appropriately recorded \$747,015 in revenues for fiscal year 1998/99. However, only \$145,496 of this amount was transferred to the low-income housing fund, which was less than the 20% required by Health & Safety Code Section 33487 by \$3,907. The calculation was based on the net amount received by the RDA instead of the gross apportionment as required by the Code. The transfer to the low-income housing fund was properly calculated for fiscal year 1999/00.

Recommendation #8

In order to comply with Health & Safety Code Section 33487 and to ensure that funding is not withheld, the RDA should transfer \$3,907 to the low income housing fund for fiscal year 1998/99 from the RDA Capital Projects Fund.

Finding #9

It was noted during a review of Parlier's financial statements that redevelopment notes receivable in the amount of \$1,257,180 were erroneously listed in the general long-term debt account group in the 1998/99 statements. These notes receivable were properly reclassified by Parlier staff in the 1999/00 statements, which resulted in a \$1,257,180 increase in the capital projects beginning fund balance; however, there was no disclosure explaining this material change.

Recommendation #9

In order to explain material changes in the financial statements in accordance with generally accepted accounting principles, the City of Parlier should provide adequate disclosure in the notes to the financial statements. For example, Parlier could have identified the above increase in the capital projects fund balance as a "restated" fund balance in the financial statements. In addition, a note disclosure should have been provided to reconcile the restated fund balance to the prior year ending balance. The disclosure should have also explained the reason(s) for the restatement. Parlier should consider this for future reporting purposes.

Finding #10a

According to Parlier's City Manager, all redevelopment loan programs must be approved by the RDA Board, which is Parlier's City Council. We reviewed all available loan files for the sixteen redevelopment loans issued by Parlier as identified below, which were made between 1993 and 1996. There are nine individual loans and seven commercial loans. Based on documentation provided, it could not be determined that *any* of the loans were properly approved by the RDA Board. The Executive Director of the RDA is authorized to execute loan documents on behalf of the RDA, and we verified that he did sign agreements for all of the loans except as noted in Findings #10b, c and d below. In addition, based on information provided in loan files, we could not determine if any of the borrowers met the RDA criteria needed to obtain the loans. The City Manager stated that it is unlikely that any of the borrowers would not meet the criteria due to Parlier's demographics.

In addition, both the City Manager and Finance Director stated that there may be additional RDA loans that they do not know about. They said that loan files were incomplete when they began working for the City, and they had to piece together documentation for the loans as it was located.

Based on the documentation provided, all nine individual loans were charged 5% interest.

However, of the six commercial loans that had any supporting documentation (the seventh loan did not), one was charged 4.39% interest, three were charged 5%, and two others were charged 8%. Parlier staff did not know how these various interest rates were determined or why it was decided to charge different borrowers different rates. Based on our review of redevelopment guidelines, no provisions could be found that addressed the matter of interest rates on outstanding loans.

In addition, except as noted in Finding #10b, we could not determine that any of the borrowers were related to City officials at the time of the issuance of the loans; however, this should not necessarily be an issue provided all borrowers met RDA loan criteria as addressed above.

Finding #10b

Nine of the sixteen loans issued by Parlier were “written off” for financial statement purposes and seven were not. Except as noted below, payments on six of these seven loans were received regularly and currently from the borrowers. Four of these six loans were provided to individuals in the amounts of \$6,013, \$7,000, \$13,782, and \$15,000. The fifth and sixth loans were commercial loans for \$102,000 and \$488,000 at a 4.39% and 5% interest rates, respectively. The seventh of these loans, which did not have any supporting documentation, is addressed in Finding #10d.

The \$15,000 individual loan noted above was issued in 1995 to a relative of the mayor. No payments were received by the RDA until the previous Finance Director contacted the borrower in April 1997 requesting copies of loan documents, which Parlier did not have at that time. Shortly after that, the borrower began to make regular payments on the loan and has continued making payments through the date of this review. These loan payments are included in a schedule in our workpapers.

In addition, based on our review of loan documentation provided by the City, the agreement for this \$15,000 loan was signed only by the borrower. Therefore, it is not clear whether the loan was properly executed by the Executive Director, or whether the loan was properly approved by the RDA Board as addressed in finding #10a. Based on documentation provided, we did find evidence that the Executive Director authorized \$5,000 of the loan, because he approved two checks issued on this loan totaling \$5,000.

Finding #10c

One of eight reportable conditions in Parlier’s 1998/99 audit report stated “The RDA has made numerous redevelopment loans to individuals and businesses. Many of these are totally non-performing.” The corresponding recommendation stated “Staff should contact each delinquent borrower to determine if stronger collection action is required, or if the loan cannot be reasonably collected, then it should be written off.” Parlier’s response was “RDA receivables were turned over to a professional collection service. Collection of the majority of housing loans is not possible, since the loans were not secured by real property. The issue of whether to pursue or forgive these loans is a policy for the Council to pursue.”

For 1999/00 financial statement purposes, the RDA “wrote off” four commercial loans and five individual loans totaling \$46,736. Based on information provided, Parlier’s City Council did not approve writing off these loans, although it was disclosed in Parlier’s 1999/00 financial statements that the “City wrote off” the loans. During our review, Parlier staff explained that it was not the City’s intention to officially write off loans as they just wanted to report loans for financial statement purposes net of amounts considered to be uncollectible, and they are continuing to pursue collection of these loans. Based on information provided during our review, Parlier referred the delinquent loans to one collection agency who declined to pursue collection of the loans. According to Parlier staff, based on that collection agency’s response that these loans were not collectible, it was decided not to try to obtain further collection agency services. As of the date of this review, Parlier has not referred these loans to any other collection agency.

The RDA continues to send invoices monthly on the “written off” loans to all of the individual borrowers but to none of the commercial borrowers, which, according to the City Manager, are no longer in business. However, no payments have been made by the loan recipients in several years.

Information received on these “written off” loans is indicated below. The loan type is designated by a C for Commercial or I for Individual as follows:

<u>Loan Type</u>	<u>Loan Year</u>	<u>Loan Recipient</u>	<u>Loan Amount</u>	<u>Interest Rate</u>	<u>Unpaid Balance</u>	<u>Date of Last Pmt</u>
C	1993	El01	\$12,500	8%	\$10,000	7/97
C	1993	Gor02	5,500	8%	4,940	11/93
C	1995	Sal03	2,390	5%	1,647	1/98
C	1995	Ant04	2,550	5%	513	7/97
I	1995	Mar05	5,000	5%	3,062	4/97
I	1995	And06	3,044	5%	2,639	4/97
I	1995	Noe07	2,500	5%	2,048	12/96
I	1996	Elo08	14,430	5%	14,430	None
I	1996	Man09	<u>7,683</u>	5%	<u>7,457</u>	12/96
Total			<u>\$55,597</u>		<u>\$46,736</u>	

In addition, based on our review of the related loan documentation, the following exceptions were noted for these “written-off” loans:

1. The signed loan agreement for loan recipient Gor02 specified a loan amount of \$4,000, but the amortization schedule included in the documentation provided an amended loan total of \$5,500, yet there was no authorized amendment to the loan agreement.

2. The loan documentation for loan recipient EI01 (EI01) did not contain a loan agreement but contained other miscellaneous documents including a 1993 request from the attorney in fact for a \$12,500 loan; an incomplete and unofficial copy of a 1993 RDA minutes indicating that the RDA Board approved a \$12,000 loan to EI01, and a copy of a \$12,500 check signed by the RDA Executive Director and made out to EI01 in 1993. Therefore, there was a conflict between the \$12,000 amount that appeared to have been approved by the RDA Board and the \$12,500 check approved by the Executive Director.

Finding #10d

During our review of the seven outstanding loans that were not “written off”, we noted that the financial statements disclosed that “...the Agency has a receivable ... relating to low-income housing assistance provided in prior years. As long as ...” the borrower “...continues renting to low-income individuals, they will be required to pay back a discounted amount equaling the annual installments, without interest, in the amount of \$83,418 beginning in December 2013.” Parlier staff was able to provide us with a recorded deed of trust for this loan in the amount of \$1,668,366; however, they could not provide a copy of the loan agreement. Therefore, we were not able to verify whether the borrower has complied with the terms of the agreement or whether the agreement was properly approved as discussed in finding #10a. Also, we were not able to determine whether interest will accrue if the borrower does not continue renting to low-income individuals or any other details about the loan.

Recommendation #10 a, b, c, and d

To ensure that funding is not withheld, the RDA should ensure all proper procedures and legal requirements are followed when issuing loans and all appropriate documents are maintained in their loan files and that all loans are properly authorized. Parlier staff should review all available loan records since the formation of the RDA to try to locate all missing loan documentation and criteria information on the sixteen known loans addressed above. Parlier staff should also determine if there are any additional outstanding loans not currently known that should be followed up on. Also, even though Parlier has indicated that the commercial borrowers of the “written off” loans are out of business, Parlier should continue to bill the business owners until these loans are officially written off by the City Council. Proper procedures must be followed to assure that all redevelopment loans are repaid timely and in full.

Redevelopment loans determined to be uncollectible should be written off by the City Council and referred to a collection agency as appropriate. Parlier should consider following up with other collection agencies or pursue other means of recouping unpaid balances, e.g. through small claims processes, other lawsuits, etc. In addition, Parlier should ensure and be able to support that interest charged on Redevelopment loans is charged fairly and equitably.

Community Development Block Grant (CDBG)

Finding #11

It was noted during fieldwork that reimbursement requests submitted to the Fresno County Public Works Department were properly supported by invoices to outside entities. However, transactions were not properly recorded in the City of Parlier's general ledger. Payments made by Fresno County to Parlier during fiscal year 1998/99 were understated in Parlier's CDBG general ledger by \$14,271.61, thereby understating CDBG revenues on the 1998/99 financial statements. The difference was due to a check issued by Fresno County in the amount of \$149,271.61 on May 13, 1999. It was confirmed that Parlier received and endorsed the check for \$149,271.61; however, only \$135,000 of this amount was recorded in Parlier's CDBG fund. The balance of \$14,271.61 was recorded in Parlier's general fund.

Also, we were not able to trace 2 of 30 (6%) invoices totaling \$4,370 to Parlier's CDBG fund. However, we were able to confirm with the vendor that the invoices had been paid. Parlier staff has not been able to provide information regarding where these expenditures were recorded.

Additionally, during a test of CDBG expenditures recorded in the general ledger, Parlier staff were not able to locate supporting documentation for 2 of 8 (25%) expenditures tested. Accurate and complete records are essential for restricted revenue funds to ensure continued funding and enhance internal controls.

Recommendation #11

To enhance internal controls, ensure the accuracy of the City's accounting records, and ensure continued funding, Parlier should implement formal procedures to ensure proper accounting for and reconciliation of restricted revenues. In addition, all transactions and supporting documentation must be maintained until such records have been audited by all appropriate oversight agencies. Finally, the City of Parlier should make the appropriate general ledger entries within the special revenue fund to record these transactions.

Child Development Grant

Finding #12

During a review of Parlier's financial statements for fiscal years 1998/99 and 1999/00, it was noted that the Child Development Fund listed expenditures for capital projects, which is not in compliance with the terms of the grant. Further analysis found that capital expenditures were not made in violation of the grant provisions. Instead, expenditures were not properly classified in the general ledger or the financial statements.

Recommendation #12

The City of Parlier should post transactions to proper accounts and subsequently classify expenditures appropriately in their financial statements.

Finding #13

During a review of grant agreements for fiscal years 1998/99 and 1999/00, it was determined that grant expenditures recorded in the general fund and reported in the financial statements were in compliance with grant provisions except for a 1998/99 expenditure of \$582.50 for engineering expenses.

Recommendation #13

In order to comply with terms of the Child Development Grant, the City of Parlier should reimburse the Child Development fund the \$582.50 noted above and only make expenditures appropriate for grant purposes from this fund.

Finding #14

During a review of the general ledger it was determined that expenditures do not agree with reports submitted to the State. The general ledger for fiscal year 1999/00 reports grant revenues of \$283,950.97 plus \$10,216.73 interest revenue for a total of \$294,167.70. The general ledger also indicates total expenditures of \$81,966.58 for 1999/00. The audit report sent to the State, which was prepared by the subcontractor's CPA, indicates costs of \$1,094,953.00 and revenue received of \$72,808.00 for 1999/00. It appears that this audit report was prepared to reflect revenues and expenditures of the subcontractor and not the City of Parlier's Child Development revenues and expenditures.

Recommendation #14

In order to comply with terms of the Child Development Grant, the City of Parlier should obtain an annual audit of the Child Development Program that conforms to the terms of the grant agreement and reports on Child Development revenues and expenditures of the City of Parlier. In addition, the City of Parlier should consistently review any audit reports prepared for their program prior to finalization of the report.

Measure "C" – Transportation Authority, Sales Tax Proceeds

It was noted during our review that insufficiently supported overhead allocations were applied to the Measure "C" special revenue fund. See findings and recommendations #1 - 3.

Highway User Tax (Gas Tax)

Finding #15

During the review, it was noted that payments made by the State Controller's Office (SCO) to Parlier, which were posted on the SCO's website did not agree with totals recorded in Parlier's accounting system for fiscal years 1998/99 and 1999/00. For fiscal year 1998/99, the SCO recorded payments of \$197,403.36 and Parlier recorded revenues of \$218,610.40 for a variance of \$21,207.04. For fiscal year 1999/00, the SCO recorded payments of \$200,512.18 and Parlier recorded revenues of \$202,545.85 for a variance of \$2,033.67. Based on our review and documentation provided we could not determine whether the variances were due to timing differences or other factors.

Recommendation #15

In order to properly account for and report Gas Tax revenues, the City of Parlier must reconcile any variances between revenues paid by a funding entity and revenues recorded by the City.

Local Transportation Fund

Findings #16 and 17

During our review, we were able to trace and agree individual payments made to Parlier from the Council of Fresno County Governments for the Local Transportation Fund to deposits in the fund without exception. However, the total payments did not agree with the revenue balance recorded in Parlier's general ledger. In fiscal year 98/99, an adjusting entry was recorded that reduced revenues in the fund by \$70,702. Parlier's Finance Director said he thought the adjustment might be a prior period adjustment, but he could not locate the supporting documentation for the journal entry. Based on this, it appears the revenues for fiscal year 1998/99 are understated in the fund and in the financial report. It should be noted that this fund was also audited by an independent accounting firm on behalf of the Council of Fresno County Governments. Their audit report also did not include the \$70,702, nor were there any disclosures related to this \$70,702.

Recommendation #16

In order to properly administer the Local Transportation Fund and ensure proper financial statement presentation, the City of Parlier must reconcile the Local Transportation fund to receipts and implement procedures to ensure that all transactions are properly recorded and reported.

Recommendation #17

The City of Parlier should either provide supporting documentation for the \$70,702 reduction of revenues or reverse this adjustment as appropriate.

Finding #18

During a review of the audit report issued by an independent accounting firm for fiscal year 1998/99, it was noted that the report contained an unqualified opinion despite the insufficiently supported expenditures discussed in findings #1-3 and the understated revenues discussed above. The same firm is conducting an audit of the Local Transportation fund for fiscal year 1999/00 but has not yet issued their report. During a conversation on March 26, 2001 with a staff member of the independent firm, the staff member said that the firm is questioning the method that Parlier uses to apply administrative overhead costs to this fund. The staff member also stated that the 1999/00 report will contain findings and recommendations related to the overhead application process.

Recommendation #18

The City of Parlier should work with their current external auditor to correct any errors or misstatements in the fund as a result of our findings (#16 and #17, as well as findings #1-3) to ensure the accuracy of the financial statements.

Local Law Enforcement Block Grant (LLEBG)

Finding #19

Parlier's Finance Director said that the City uses LLEBG money to pay for overtime expenditures in the Police Department since the amount of the grant is not enough to hire an additional police officer. Although overtime used to increase or enhance police services is an appropriate expenditure for this grant; based on information reviewed, we could not determine that overtime expended was an inappropriate use of grant monies. One officer's salary is charged to the fund as an equivalent to the law enforcement overtime costs incurred outside of the fund. The amount of the 1998 grant was \$19,623 and overtime for that period was \$92,705. The amount of the 1999 grant was \$19,097 and overtime for that period was \$65,135. The Finance Director stated that he spoke with personnel in the US Department of Justice (DOJ) who told him that he can account for the fund in this manner as long as he can support the amount of overtime claimed on the grant. We contacted the DOJ and were told that this practice is not appropriate. DOJ staff stated that the actual expenditures paid with LLEBG money must be recorded in the fund established to account for the grant.

During our review, expenditures for equipment were tested. During fiscal year 1998/99, 4 of 5 (80%) equipment expenditures tested did not appear to be appropriate for fund purposes based on information provided. As confirmed with the DOJ, LLEBG money is to be used to increase or enhance law enforcement services. The expenditures questioned include chairs for \$1,356.68, rug runners for \$343.73, and office supplies for \$161.61.

Recommendation #19

The City of Parlier should contact the DOJ for written clarification of what constitutes acceptable expenditures for this grant. The City of Parlier should comply with the information provided by the DOJ related to this audit finding. Unauthorized expenditures of grant funds must be reimbursed or a waiver should be requested from the grantor agency.

COPS Grant AB3229

Findings #20 and 21

Our office previously performed a limited scope review of Parlier's 1998/99 COPS fund. As a result of this review, it was determined that interest allocated to the COPS fund was based on an estimate and not what was actually earned for that fund. We therefore recommended that the City of Parlier determine actual interest earned and allocate this amount to the COPS fund. Parlier's Finance Director agreed with this finding and stated that Parlier will adjust the fund's interest earnings accordingly. However, the Finance Director stated that actual interest earnings were never allocated to the COPS fund for 1998/99 or 1999/00 due to time constraints and materiality. Even though the interest amounts are relatively small (i.e. about \$300 in each fiscal year), interest earnings should still be calculated using reasonable methodologies since these monies are to be used for restricted purposes. This will be even more important in subsequent fiscal years such as 2000/01 as Parlier's COPS allocation has increased significantly (i.e. to \$100,000).

In addition, Parlier's finance department calculates interest to be allocated to various funds based on year-end cash balances rather than using more appropriate methodologies based on average daily or monthly cash balances. It is important that interest earnings be calculated accurately, especially for special revenue funds that require that interest earnings be used for restricted program purposes or returned to regulatory agencies as necessary if it is determined that the City has not complied with program requirements.

Also, it was noted in our October 13, 2000 limited scope review report of Parlier's 1998/99 COPS fund that the appropriation of COPS grant monies was never formally presented to or approved by Parlier's City Council as required. However, Parlier indicated that they would address this matter as appropriate in the future, which, because of the timing and issuance of the 1998/99 report, should apply to the 2000/01 fiscal year and thereafter. It should be noted that based on our review, Parlier's 1999/00 appropriation of COPS grant monies was also not separately presented to or approved by Parlier's City Council as required. The City Manager said that COPS appropriations were presented to the City Council in their annual budget.

In compliance with the provisions of Government Code Section 30061, cities shall appropriate existing and anticipated monies in September of each year in accordance with a written request submitted by the police chief or chief administrator of the law enforcement agency that provides police services for that city. The written request shall be considered separate and apart from the

process applicable to proposed allocations of the general fund, within 60 days of receipt by a majority of a quorum present.

Recommendation #20

The City of Parlier should ensure that actual interest is allocated to the COPS fund for 1998/99, 1999/00 and thereafter. In addition, the City should ensure that adequate interest allocation methodologies are used to ensure that all restricted revenues are accurately calculated, allocated and available to be used for restricted program purposes or returned to regulatory agencies as necessary in the event of non-compliance with program requirements.

Recommendation #21

In compliance with the provisions of Government Code Section 30061 as stated above, the City of Parlier should ensure that the appropriation of COPS grant monies for 2000/01 and thereafter are separately presented to and approved by Parlier's City Council as required.

Finding #22

During a test of expenditures for fiscal year 1999/00, the City of Parlier was not able to provide support for \$769.50 charged to salaries and benefits recorded through a journal entry. The City's Finance Director stated that the support for the journal entry could not be located.

Recommendation #22

The City of Parlier should maintain support for all financial transactions that affect special revenue funds as well as other funds until all oversight agencies conduct periodic audits. Unauthorized expenditures of grant funds must be reimbursed or a waiver should be requested from the grantor agency.

Universal Hiring Grant (COPS)

Finding #23

Based on our review, another COPS program (AB3229, Supplemental Law Enforcement Services Fund) was charged \$886.13 for an officer's salary that was also included in a Universal Hiring Grant report submitted to the DOJ for the period 10/1/98 to 3/31/99. In addition, the salary included in this report also included overtime which is not allowable according to Universal Hiring Grant provisions.

Recommendation #23

The City of Parlier should implement procedures to ensure that expenditures are not claimed/reported twice and that overtime costs are not claimed in compliance with Universal

Hiring Grant provisions. Parlier should also adjust the above reports and charges to reverse duplicated expenditures and inappropriate overtime costs.

Office of Emergency Services (OES)

Findings #24, 25 and 26

During fieldwork the auditor confirmed the amount paid to the City of Parlier through OES staff who stated that there were no payments during 1999/00. Fiscal year 1998/99 payments totaled \$81,589. Parlier recorded \$79,185 in their OES revenue account for a variance of \$2,404.

We tested expenditures on the Project Completion and Certification Report. Three of four (75%) expenditures tested did not agree with the supporting documentation provided by City of Parlier staff. Parlier claimed \$20,726.00 and \$8,500 for two lift station pumps and \$33,750 for the repair of a comminutor, which is a device that reduces solid waste to smaller particles. Based on supporting documentation provided, actual costs were \$7,189.97, \$7,030.36, and \$12,619.54, respectively. This reflects \$36,136 in unsupported costs claimed that may need to be refunded to OES. It appears that Parlier claimed the amount of the original estimates and not actual costs.

The files provided to the auditor were incomplete and very disorganized. In addition, the auditor found an \$11,392.88 invoice for a pump replacement that appears to be used to substantiate the amount claimed on the Project Completion and Certification Report. However, the invoice for this \$11,392.88 was dated 1/30/98. The auditor checked with the State OES and determined that the disaster (flood) period was between 2/2/98 through 4/30/98. Therefore, the pump replacement took place prior to the disaster period.

Related to the above, the City Manager stated that OES has already approved their disaster claim and closed the program. However, governments have a responsibility to taxpayers to spend tax money in accordance with codes and program provisions.

Recommendation #24

The City of Parlier should investigate the difference of \$2,404 between revenues reported in their general ledger for OES revenues and the amount of payments confirmed through the State OES or have support for the variance readily available.

Recommendation #25

The City of Parlier should immediately revise the Project Completion and Certification Report to reflect actual costs for the disaster period. They should provide support for costs claimed or return \$36,136 claimed inappropriately to the State OES.

Recommendation #26

To ensure accuracy of records, enhance internal controls, and ensure the availability of current and future funding, the City of Parlier should properly maintain files containing supporting documentation for transactions and retain these records until audited by all appropriate oversight agencies.

Transportation Equity Act

No reportable conditions were noted during our review of the Transportation Equity Act, which provides funding for street improvements. Based on our review, only \$14,761 was spent for this program in 1999/00 for preliminary engineering on street improvement projects, which is in compliance with program provisions.

Conclusion

Based on procedures performed and information provided, we have concluded that:

- The City of Parlier has not consistently accounted for restricted revenues in accordance with generally accepted accounting principles and/or in compliance with applicable agreements and regulations.
- The City of Parlier has not consistently expended special revenue funds in compliance with applicable codes, regulations, and grant agreements. Additionally, in our opinion, Parlier is using their special revenue funds and grant programs to finance general fund expenditures.
- The Parlier Redevelopment Agency may have granted loans inappropriately, failed to comply with redevelopment laws and regulations, and has not made adequate collection efforts on redevelopment loans outstanding.
- The eight reportable conditions reported in Parlier's June 30, 1999 audit report were corrected as reported in the June 30, 2000 audit report except for the matter of the older outstanding redevelopment loans identified in finding #10c above.

According to both the City Manager and Finance Director, a number of improvements have been made to Parlier's accounting and reporting processes since they began working for the City in 1997. Some of these improvements can be evidenced through the correction of reportable conditions noted in their 1998/99 audit report. However, in our opinion, a number of the City of Parlier's internal controls and accounting processes are inadequate as addressed in this report. The City has also demonstrated noncompliance in administering its special revenue funds and grant programs. Our review tested transactions on a sample basis but found a significant number of exceptions.

Based on our discussions with the City Manager and Finance Director regarding internal controls and compliance issues, they indicated that due to their small staff and lack of time and funding, it will be difficult to implement all of the recommendations outlined in this report. However, lack of staff, time, and/or funding is not a sufficient response to ensure adequate internal controls or compliance as appropriate.

It is our recommendation that the City of Parlier hire either a CPA firm or professional accounting staff to help them address the findings and recommendations in this report, correct their records/reports related to special revenue funds, and implement procedures/processes to ensure that restricted revenues are properly expended and accounted for and that all applicable rules, regulations and laws are followed with strict compliance.

Gary W. Peterson
Auditor-Controller/Treasurer-Tax Collector

THE PARLIER PAINT PROJECT

Introduction

The 2000/2001 Fresno County Grand Jury investigated a complaint regarding the painting of the Parlier City Hall/Community Center. It was alleged that the Parlier Municipal Code (PMC) was violated when the project was not put into the bidding process. It was also alleged that unlicensed painters were hired and some compensation was made to a non-participating party.

Findings

- A. Unlicensed painters were hired to paint Parlier City Hall/Community Center. The City Manager entered into a verbal agreement and did not abide by PMC Section 3.04.100 stating; "If the amount of any purchase or contract exceeds ten thousand dollars, the purchase or contract shall be awarded by the City Council." The cost of the painting project was in excess of \$19,000. The City Council was not involved in the process until after the work was done and payment was made.
- B. There was no adherence to the bid procedure as specified in PMC Section 3.04.090 and 3.04.110. There was no:
 - a) Published notice inviting bids
 - b) Competitive bidding
 - c) Insurance and/or indemnity provision
 - d) Performance bond
 - e) Public opening and award of contract
 - f) Public notification of award
- C. There were inconsistencies in the accounting practices used with regards to the painters' compensation.
 - a) Payments were made from the General Fund and Redevelopment Agency Fund. Payment records were not made available for the City Council's review.
 - b) Painters, who did not fit the criteria as contractors, were paid as independents and issued 1099 Forms after the work was done.
 - c) Some payments were made to a painter's relative who was not involved in the project. Payment was made based on the relative's social security number.
 - d) Inconsistent and conflicting billing records and time cards were submitted for compensation.

- e) Checks were written as directed by the City Manager and signed by the Director of Finance or City Manager.

Conclusion

The Parlier City Hall/Community Center painting project was mismanaged and in violation of PMC Sections 3.04.010 through 3.04.110. Faulty record keeping and improper accounting of the painters' compensation made the City vulnerable to potential litigation.

Recommendations

The 2000/2001 Fresno County Grand Jury recommends that:

27. The Parlier City Manager confer with the City Council before engaging in city projects costing over \$10,000 as required by PMC.
28. Bidding and contracting of services be in compliance with PMC.
29. The City Manager and City Council be held responsible for implementing the directives set forth in PMC.
30. Compensation of employees and/or contractors be in compliance with existing State and Federal laws.

PARLIER ANIMAL CONTROL

Introduction

The 2000/2001 Fresno County Grand Jury received complaints relating to animal control and conditions at the City of Parlier Animal Shelter. Recommendations regarding animal control and the animal shelter were included in the 1997/1998 Grand Jury Report. The City Manager responded as follows: "The City will continue efforts to create innovative ways to obtain funding and attract community support for animal control operations and facilities, this shall include seeking grants, encouraging participation by local organizations and volunteers, the Humane Society and SPCA." "The City will continue to enforce leash and licensing laws and to collect fees and/or fines to generate revenue for animal control services. The city code has animal control codes, which it enforces; the city has adopted animal licensing fees and fines to offset some of the costs of these activities. The City Council reviews fees on an annual basis and adjusts them, as it deems appropriate. The City will review and update its animal control codes and fees during fiscal 1998-1999."

Findings

Responses to the recommendations made by the 1997/1998 Grand Jury have not been implemented by the City Manager or the City of Parlier. The 2000/2001 Grand Jury made ten visits to the City of Parlier Animal Shelter. One visit was announced; the other nine were unannounced. The only time that the area was acceptable was on the announced visit. On unannounced visits, cages had not been cleaned for several days, food and water bowls were overturned, and dogs were lying in urine and feces. The Grand Jury received photographs from concerned citizens of dogs killed by other dogs while held in the shelter.

The Animal Shelter is located at the Parlier Wastewater Treatment Plant. There are four chain-link stalls in which dogs are kept. During one week in the year 2000, nineteen dogs were kept in the four cages before being transported to the SPCA to be euthanized.

Until February 2001, the stalls were completely unprotected from the elements except for a roof over the enclosure. In response to Grand Jury concerns, plywood sides and back were added to the enclosure in February 2001.

Animal control and the animal shelter are managed by the Public Works Department. Little or no training in the area of animal control has been given to these workers. According to records provided by the Fresno SPCA, 353 dogs were taken to the Fresno shelter during calendar year 2000 by the City of Parlier to be euthanized at a cost of \$7 each. The cost to the City was \$2,471 plus transportation and loss of labor. Records received from the City indicate there were 45 dog licenses issued to only 38 owners during 2000.

California law requires that animals be held in the local shelter for six days before they can be euthanized. Out of fifty-two weeks in the year, twenty of those weeks, many consecutively, animals were delivered to the Fresno SPCA on Friday. In order for the animals to be delivered to the Fresno SPCA on Friday and be within the six-day holding period, all the delivered animals would have had to be caught on the previous Saturday or Sunday. Public Works is closed on weekends. The Grand Jury questions whether the City is adhering to State law regarding the six-day holding period.

Several visits were made to the office of the Director of Public Works where records of the impounded dogs are required to be maintained.

Abuses and irregularities were found in record keeping which include:

- A. Incomplete files
- B. Records four to six months behind
- C. Lack of a record of animals currently held
- D. No system to determine which animals were claimed

No records showing which animals were delivered to the SPCA to be euthanized

The Grand Jury received testimony and photographs of a young girl who was severely injured after being attacked by stray dogs. During the 2001 spring break, stray dogs entered an area of Parlier High School where students were raising sheep for their annual Future Farmers of America project. Fourteen of the sixteen lambs being raised by the students were slain by these dogs.

The location of the shelter at the Wastewater Treatment Plant makes it very difficult for the public to visit the shelter to see if their pet is being held. The plant is located out of town and access to it is limited. The shelter is only open in the morning, usually between the hours of 8:00 to 9:30 a.m., when city workers are servicing the Wastewater Treatment Plant. To determine if an animal is impounded, a citizen must call the Public Works Department and make an appointment to meet someone at the plant. On weekends, it is virtually impossible to determine if an animal has been impounded.

Conclusion

Animal control in the City of Parlier is in disarray. Prescribed state and local procedures are not being followed.

Recommendations

The 2000/2001 Fresno County Grand Jury recommends that:

31. The City hire an animal control officer.
32. The animal shelter be relocated within the city to make it more accessible.
33. Leash and licensing laws be enforced.
34. The City educate the community regarding licensing, vaccinations, leash laws, spaying and neutering.
35. The City establish a fee schedule for costs incurred in animal control.
36. All record keeping relating to animal control be current.
37. State guidelines be followed for the ultimate disposal of any animal.
38. Polaroid photographs of impounded dogs be posted at city hall in order for citizens to see if their dog has been impounded.

CARPETING OF PARLIER CITY HALL

Introduction

The 2000/2001 Fresno County Grand Jury investigated a complaint from a concerned citizen about the method used by the City Manager in the purchase and installation of carpet in the Parlier City Hall.

Findings

The carpeting of City Hall was not in the City's annual budget. The City Manager solicited two written proposals for carpet and installation. They were received in early March 2000. One was for \$9,079, including only carpet and base material. The second was for \$10,415, including carpet, base, removal of existing carpet, and moving of furniture. The lower bid was awarded. However, extra costs developed (e.g., closets, baseboard, moving of furniture, removal and disposal of old carpet) amounting to \$1,921. The total invoice for installed carpet, dated October 11, 2000, was \$11,000. Upon receipt of the invoice, the Director of Finance contacted the City Attorney before issuing a check. The City Attorney found that the City failed to comply with the provisions of the Public Contracts Code and its Purchasing Ordinance.

Public Contracts Code Section 20161 states that improvements of governmental buildings, including supplies or materials, is a "public works." All "public works" in excess of \$5,000 must be let to the lowest responsible bidder after receiving competitive sealed bids. The City's Purchasing Ordinance designates the Director of Finance as the Purchasing Agent in charge of the purchase of all supplies and materials for all departments within the City. The Purchasing Agent may authorize an exception from the competitive bidding process by reporting the "specific facts establishing the exception." The Purchasing Ordinance further requires that all purchase contracts in excess of \$10,000 must be awarded by the City Council. Purchase contracts less than \$10,000 may be awarded by the Purchasing Agent.

Since the invoice was in excess of \$10,000, the City Attorney advised the Director of Finance not to pay for the carpet and its installation work until the City Council authorized such purchase. The City Council approved it December 19, 2000, and the bill was paid December 21, 2000.

Conclusion

The formal bidding process as required by the Parlier Municipal Code was not followed.

Recommendations

The 2000/2001 Fresno County Grand Jury recommends that:

39. The Parlier Municipal Code and Purchasing Ordinance be followed.
40. Shortcuts that violate the existing code not be considered.

CODE ENFORCEMENT IN PARLIER

Introduction

The 2000/2001 Fresno County Grand Jury investigated a written complaint from a citizen that cited the lack of code enforcement in the City of Parlier.

Findings

The Grand Jury visited the city several times and found it to be a small farming community with little industry.

The office of code enforcement consists of one employee who is a relative of an elected official. He serves as Community Development Coordinator (CDC) and also has other responsibilities. The CDC was formerly called Code Enforcement Officer. The title changed in 1998, but the duties remained the same. CDC duties include community planning, zoning, issuance of building permits, coordination with part time contract building inspector, and code enforcement. Code enforcement duties include public nuisances, zoning, weed abatement, and housing. Code violations are addressed when complaints are received, with very little pro-active code enforcement.

On a single day visit in October 2000, members of the Grand Jury found 20 typical potential violations of city code, which were documented and submitted to the CDC. Upon investigation, the CDC found eleven were in violation of existing law and initiated action by writing violation letters to the property owners. During their many visits, the Grand Jury observed numerous types of code violations, which included:

- A. Illegal conversion of garages and storage sheds for habitation
- B. Illegal habitation in campers, travel trailers, and RVs
- C. Inoperable vehicles illegally stored on private property
- D. Illegal storage of junk
- E. Debris
- F. Open vacant houses
- G. Exposed electrical wiring
- H. Tall weeds on vacant lots
- I. Exposed water heaters
- J. Illegal canopies for cars

The CDC and the City Manager were unable to provide the Grand Jury with adequate statistics regarding the number of complaints received, number addressed, or the action taken. The City Manager stated there is no budget for code enforcement. There has not been a single citation issued for Municipal Code violation in the past four years.

Conclusions

- A. The City of Parlier lacks an adequate code enforcement program.
- B. Code enforcement is investigated on a complaint basis. There is no documented pro-active code enforcement.
- C. Code enforcement is a low priority for the city.
- D. The Municipal Code has no provision for enforcing the code violation in a timely manner.
- E. The City Council and City Manager have shown little concern for code enforcement.

Recommendations

The 2000/2001 Fresno County Grand Jury recommends that:

- 41. The present policy of code enforcement be changed to a more aggressive system which addresses all violations existing in the City of Parlier.
- 42. Written policy and procedures be developed to provide for the tracking and documented resolution of all complaints.
- 43. The city hire a code enforcement officer, supported with sufficient staff.
- 44. Adequate training be provided for the code enforcement officer and staff, including instruction in property owner and tenant rights.
- 45. A written manual providing guidelines on how to resolve code enforcement disputes be developed and implemented.
- 46. The City of Parlier inform and educate the public on current code enforcement policy.
- 47. A current copy of the Parlier Municipal Code be available for public use at City Hall and the public library.

PERSONNEL MANAGEMENT WITHIN THE CITY OF PARLIER

Introduction

An employee of the City of Parlier provided testimony to the 2000/2001 Fresno County Grand Jury regarding an unfair disciplinary experience while employed by the city. Subsequently, the Grand Jury received additional testimony from other current and former employees who indicated they too had not been treated in an equitable manner.

Findings

Testimony and evidence received by the Grand Jury revealed the following:

- A. No formal employee bargaining unit exists in the City of Parlier.
- B. The police officers have established a self-declared association to aid them in bargaining with the City Manager.
- C. A lack of communication between the City Manager and the Police Officers Association (POA) resulted in the retention of an attorney by the POA to aid in negotiations.
- D. After receiving correspondence from the attorney for the POA, the City Manager met with representatives of the POA.
- E. Some employees mistrust and are intimidated by the tactics of city officials.
- F. A lack of communication exists between city staff and management.
- G. The Parlier Municipal Code (PMC) is frequently violated.
- H. There have been eight Chiefs of Police in the last four years.
- I. Morale is low among city employees.
- J. No written job descriptions have been issued by the City Manager.
- K. No written policy regarding job classifications exists.
- L. No written salary schedules exist.
- M. The PMC was not followed in the creation of a Personnel Hearing Board.
- N. Orientation handbooks for new employees do not exist.

- O. Some department heads and City Council members may not be familiar with the portions of the PMC that pertain to personnel and labor relation issues.

Conclusion

The City of Parlier does not have a satisfactory labor relations policy.

Recommendations

The 2000/2001 Fresno County Grand Jury recommends that:

48. The City of Parlier formulate and implement written policies and procedures regarding labor relations.
49. The City develop written job classifications for all positions and issue them to all employees.
50. The City require department heads to adhere to the PMC sections covering their areas of responsibility.
51. A current copy of the PMC be made available to City Council members.
52. The City prepare, and provide to all employees, a handbook informing them of employee rights as stated in the PMC.
53. Employees be advised, in writing, of their rights of representation at all disciplinary hearings.
54. Written annual job performance evaluations of all employees be conducted, a copy placed in the employee's permanent file and a copy provided to the employee.
55. A written salary schedule for each position be prepared and a copy made available to each employee.
56. The city develop and issue a written policy regarding advancement and salary increases.

NEPOTISM IN THE CITY OF PARLIER

Introduction

The 2000/2001 Fresno County Grand Jury received several complaints from employees of the City of Parlier regarding nepotism as it exists in the city and the effect it has on their work environment. Merriam-Webster's Collegiate Dictionary definition of nepotism is "favoritism shown to relatives or close friends by those in power (as by giving them jobs)."

Nepotism is defined by the Parlier Municipal Code (PMC) Section 4.01.080 as "Applicants for employment with the city who are related within the third degree, by blood or marriage, to a person currently employed by the city, shall not be employed in the same department as the applicant's relative, if it is determined on a case-by case review that employment of the applicant in the same department as his or her relative would create or aggravate problems relating to safety, security, supervision, morale or conflicts of interest in such department."

Findings

Of the approximately 32 employees of the City of Parlier, roughly 30% are related either by blood or marriage to one family. This does not include elected officials of the city. Related family members and close friends are a large percentage of the work force of the City of Parlier.

Conclusions

Nepotism, as it exists, may discourage other individuals from seeking employment with the city. This lends credibility to the belief that insiders are favored for employment or advancement.

Recommendations

The 2000/2001 Fresno County Grand Jury recommends that:

57. PMC section 4.01.080 be rewritten to more clearly state the city's policy on nepotism as defined by Merriam-Webster's Collegiate Dictionary, "favoritism shown to relatives or close friends by those in power (as by giving them jobs)."
58. The policy of the city be to recruit, employ, and promote the best-qualified individuals.

PARLIER PERSONNEL HEARING BOARD

Introduction

During the year 2000, a decision was made by the City manager to establish a Personnel Hearing Board (PHB). The Parlier Municipal Code (PMC) Section 4.02. (1997) describes the duties and responsibilities of the Board. Such a Board had never been established. The Board consists of two City Council members and a citizen at large. The purpose of the Board is to hear the final appeal of employees who have been disciplined and have exhausted all options for redress.

The citizen at large position is to be filled by an applicant who is a resident of the City and at least 18 years of age. This position is to be noticed and described in the local newspaper and posted at City Hall.

Findings

The 2000/2001 Fresno County Grand Jury found:

- A. The position of citizen at large was not noticed or described in the local newspaper.
- B. The citizen at large position was not posted at City Hall.
- C. The person chosen for the citizen at large position by the City Manager was apparently solicited for the position.
- D. The person chosen for the citizen at large position submitted the only application received by the City.
- E. Some City Council members were unaware that the Personnel Hearing Board was being created, although the process purportedly developed over a six month period.
- F. Section 4.02.020 of the PMC describes duties and responsibilities of the PHB. Part (C) of the description is “to the extent required by state law, the board shall hear and consider all administrative appeals of punitive action against members of the police department.”
- G. There is some evidence that the PHB was established to provide a special forum for a police sergeant facing termination.

Conclusion

The PHB was improperly established. The City Manager did not follow guidelines in place for the creation of a Personnel Hearing Board.

Recommendations

The 2000/2001 Fresno County Grand Jury recommends that:

59. The current PHB be dissolved.
60. The position for citizen at large be advertised (noticed).
61. The position for citizen at large be posted at City Hall.
62. All citizens who submit applications for this position be given equal consideration.

PARLIER POLICE DEPARTMENT

Introduction

For many years, the Parlier Police Department has suffered from a lack of leadership and corresponding departmental ineffectiveness. The 2000/2001 Fresno County Grand Jury has undertaken a review of the causes and possible remedies.

During the past 10 years, the City of Parlier has had 13 Chiefs of Police. Turnover by employees has been high due to low pay, low morale and lack of leadership. There have been continuing allegations of corruption, inefficiency and favoritism.

Findings

Prior to the arrival of the current City Manager, approximately four years ago, the Parlier Municipal Code (PMC) required the Chief of Police to be hired or dismissed by the Parlier City Council. After the arrival of the current City Manager, and at his direction, the City Council changed the PMC to require the Chief of Police to be hired or dismissed by the City Manager.

During the past four years, the City of Parlier has had eight Chiefs of Police. From January 1 through April 1, 2001, there have been three Chiefs. The last permanent Chief held the job from the fall of 1999 to January 2001 and was given an ultimatum, in writing, by the City Manager to resign, retire or be fired.

Important facts regarding the Parlier Police Department are:

- A. Wages for officers are among the lowest in the County.
- B. Overtime pay is approximately 30% of total Police Department payroll.
- C. Police budget was slashed by \$160,000 for fiscal year 2000-2001.
- D. Number of police per thousand residents is among the lowest in the county.
- E. Current State grants received for front line policing have not been used or have been used improperly.

Currently, there are nine police officers in the City of Parlier with a population over 11,000. During the harvest season, May through October, the population increases by 4-6000 making the total population during this period anywhere from 15-17,000. Most police agencies in the County try to achieve a ratio of at least 1.5 to 2 police officers per thousand. Parlier has less than one police officer per thousand. The City has one Sergeant and a recently elevated (acting) Corporal in addition to the Chief of Police as the only supervisory staff during a two shift, 12-hour day. Since there is a shortage of

personnel, scheduling has been altered from three eight-hour shifts to two twelve-hour shifts. There are days and shifts when no supervisory staff are on duty. Of the current nine police officers, one is on an extended medical leave, another is waiting for final approval to join another law enforcement agency and four others have applied to join other agencies.

Since December 2000, three Parlier police officers have been terminated. One officer, a relative of two elected officials, was reinstated in late March 2001. The Chief of Police, who had terminated the officer, was not allowed to participate in the reinstatement negotiations organized by the City Manager. An interim Chief hired just prior to the negotiations represented the interests of the police department rather than the Chief who terminated the officer.

A local automotive repair and tow company had the towing rights for the Parlier Police department for many years. A past Chief of Police contracted with another tow company from Kingsburg. When this was done, the local Parlier company split into two tow services, who share the same premises, with one brother owning one company and another brother owning the second, thus enabling the family to receive at least two-thirds of tow calls. Calls for a tow are supposed to be made through the Fresno County Sheriff's Department and allocated on a rotating basis. Some officers of the Parlier Police Department would make tow calls directly to the local Parlier tow company, bypassing the Sheriff's Department. In April 2000, 42 of 49 tow calls were handled by the local Parlier companies. Contrary to instructions given by the Chief of Police, vehicles were being towed for minor infractions (e.g., broken taillights, broken license lights, turn signals not properly working).

As the administrator of the Police Department, the Chief is responsible for approving all submitted invoices. Upon approval, the Chief forwards the billings to the finance department for payment. In the fall of 2000, a local automotive repair/tow company submitted invoices to the Police Department for alleged repair work done on police vehicles. The amount of these invoices was approximately \$8,000. Upon examination of the invoices the Chief of Police found that some were up to three years old, some had not been signed, and signatures on others were unrecognizable. For these reasons, the Chief made the decision that the invoices were not valid and he refused to authorize payment. The invoices were then submitted to the Finance Director and he too declined to make payment. After the departure of the Chief of Police, the invoices were submitted directly to the City Manager and paid. Some City Council members were unaware of the claim until after payment was made.

In the fall of 2000, the Chief of Police purchased three used Highway Patrol cars with Police Department grant money. All three vehicles were received by the Chief and registered to the Parlier Police Department with DMV. Several weeks after delivery of the vehicles, the Chief's vehicle was taken away from him by the City Manager and assigned to the Community Development Coordinator, a relative of an elected official.

Approximately once a year, the California Commission on Peace Officer Standards and Training (POST) has a senior consultant visit each Police Department in the State and

conduct an audit of personnel files. In early 1999, POST conducted an audit of the Parlier Police Department and found over 50 deficiencies in nine personnel files that were audited. The City of Parlier was advised in writing of these deficiencies; however, no action was taken to correct them.

Deficiencies included:

- A. State mandated documents missing from some personnel files
- B. Fingerprint records of some officers not sent to the State Department of Justice and FBI as required by POST
- C. Psychological evaluations not conducted in the hiring of some officers
- D. Background investigations not properly conducted
- E. Some officers promoted from reserve to full time status without testing

Year-end 2000 crime statistics as compared to year-end 1999 crime statistics for the City of Parlier showed the following:

➤ Robbery	Up 32%
➤ Burglary	Up 37%
➤ Car Theft	Up 12%
➤ Larceny	Up 14%
➤ Narcotics Arrests	Up 47%

According to officials, these types of offenses are related to an increase in drug activity.

In October 2000 Parlier, along with other cities in the county, received a \$100,000 Citizen's Option for Public Safety (COPS) Grant. This grant is also known as Assembly Bill 1913 (AB 1913) and is funded by the State of California. Since 1996, cities had received at least \$25,000 annually under AB 3229; however, in the year 2000, the State increased these funds. These monies are transferred from the State to individual counties and then forwarded to each city within the county. AB 1913 differed somewhat from AB 3229 in that:

- A. It provided a minimum grant of \$100,000 to each law enforcement agency.
- B. Each agency must totally expend the funds received by June 30, 2002.
- C. An agency must spend the funds on front line policing.
- D. Cities must submit to the County Auditor/Controller a report on how these funds have been expended. The first of these reports is due in July 2001.

- E. If an agency fails to submit the required data for the summary report (July 2001), the agency may forfeit its allocation for the following year.
- F. The \$100,000 was also accompanied by a letter from the Supplemental Law Enforcement Oversight Committee, a Fresno County committee, with the Fresno County District Attorney as its Chairman. The intent of the letter was to inform agencies that the money was to be spent for “front line law enforcement.”

In December 2000, the Chief of Police prepared a 5-page document detailing his plans for the expenditure of the \$100,000. This document was to be presented to the City Council for its approval at the January 2, 2001, Parlier City Council meeting. The \$100,000 was proposed to be spent as follows:

- A. Hire a contractual full time Multi-service Officer.
- B. Hire two additional part-time contract reserve officers.
- C. Hire one part-time School Resource Officer to teach D.A.R.E. courses.
- D. Allow additional money to be spent for Regular Officers who would be working DUI and Narcotics Enforcement special assignments.

These items, as proposed, would have utilized the \$100,000 during the year 2001 and would have complied with the requirements of the grant. The City Manager forbade the Chief of Police to attend the January 2, 2001, City Council meeting to make his presentation for the use of the grant money. He also forbade the Chief from discussing his plan with any Parlier City Council member.

Upon receipt of the \$100,000 in October 2000, the City of Parlier credited the \$100,000 to an account that had a negative balance of approximately \$20,000. Thus \$100,000 was reduced to approximately \$80,000. As of late May 2001, monies spent from AB 1913 were being used for overtime only and that no additional officers or programs had been instituted by the City. The City may be required to return unused money and eliminate itself from future COPS grants.

Conclusions

For a myriad of reasons, the City Manager and City Council have been unable to retain a permanent Chief of Police.

Due to actions and inactions by the City Manager and City Council, the City of Parlier Police Department has been unable to recruit and retain a satisfactory police force.

The Parlier Police Department, in its current state, is a disservice to the people of the City of Parlier.

Recommendation

63. The 2000/2001 Fresno County Grand Jury recommends that the Parlier Police Department be closed immediately and the policing of Parlier be contracted with the Fresno County Sheriff.

CITY COMMITTEE

Rene Lastreto, Chair

Robert Boehringer

Mikie Kapigian

Louis Olais

Juliana Pherson

Leo Shishmanian

CITY COMMITTEE

INTRODUCTION

The 2000/2001 Fresno County Grand Jury investigated complaints and suggestions from the citizens of the City of Fresno.

Areas investigated were:

- A. Solid waste management
- B. Fresno City Parks Sanitation Facilities
- C. City Council Infrastructure Fund
- D. City of Fresno Water Meters
- E. Downtown Baseball Stadium
- F. Fire Department

Areas reviewed and not reported on are:

- A. Property Code enforcement violations
- B. Residence requirements for Fresno City Councilmen

SOLID WASTE MANAGEMENT DIVISION

Introduction

The 2000/2001 Fresno County Grand Jury investigated the changes necessary to meet the goals of the Fresno City Solid Waste Management Division.

These goals are to:

- A. Comply with state mandated 50% reduction of landfill use
- B. Make the green waste recycling station operational
- C. Improve profitability of recycling
- D. Assure that the program is being monitored for compliance
- E. Maintain service fees at the existing level

Findings

As of the end of December 2000, 99.5% (some alleys are not included) of the residential customers were converted to the new three can collection service with once-a-week pickup. The county islands within the City of Fresno will eventually be included in the green waste portion of the city's collection, if the County elects to participate.

The City of Fresno entered into a five-year contract with a commercial operator for the processing of all mixed-recyclable products (glass, aluminum, bi-metal, plastic, paper) collected through the city's programs. The city receives 25% of the net profit. Profit will fluctuate due to the market value of the materials as well as volume collected. The city's revenue share for the first year (April 1, 2000 through March 30, 2001) was over \$90,000.

Materials placed in mixed recyclable and green waste containers are routinely screened by collection vehicle operators for contaminated materials. If a driver notices improper material in a container, a notice is issued to the resident. Information on proper usage is attached to the courtesy notice. On the third notice, a supervisor is required to do a site visit, physically inspect the contaminated container, and attempt to reach the resident to discuss the contamination problem. A charge of \$8.97 is assessed against the resident's account for each contaminated container. From March 1, 2000 to March 1, 2001, 14,445 first, 1,350 second, and 310 third notices were sent and 75 fines were imposed.

Costs for separation of contaminated material for an established green waste program range between \$5 and \$10 per ton. If no initial separation was required from the residents, the cost of processing at a material recovery facility would increase to

approximately \$40 to \$50 per ton. The contamination level of the green waste material has been reduced from 9.63% in April 2000, to 7.49% in December 2000. New statistics are not available as green waste is now directly loaded on transfer trailers. When processing begins locally, each load will be tracked and the neighborhood of origin can be determined. Education efforts can then be directed where needed. As residents become more familiar with the program, according to waste management officials, the level of contamination should continue to decrease.

Originally, the green waste material was composted at a local facility, which did not have a fully equipped green waste facility. This necessitated trucking the green waste material to Manteca where it is being used as alternative daily landfill cover. Diversion credit towards the 50% landfill reduction compliance is given for this process. The Conditional Use Permit to operate the recycling station at the Wastewater Treatment Facility has been approved. Contractual obligations are being finalized with a community-based organization to process the green waste material. Request for bids will be advertised for trucking the cleaned material to compost, mulch and grind, landscape, or co-generation facility or a landfill for alternative daily cover. This could be operational by June or July 2001, and will be more cost effective than transporting the green waste to Manteca. Ultimate plans are to obtain permits for a composting operation at the Wastewater Treatment Facility. This may take a year to accomplish.

Conclusion

The city made significant progress toward reaching the state-mandated goal of a 50% reduction of the landfill by the year 2000. This goal has not yet been met. A request has been made to the State of California for a time extension based on a good faith effort. The State will assist large cities that have identified plans and are making significant strides in trying to reach their goals.

Recommendations

The 2000/2001 Fresno County Grand Jury makes the following recommendations:

64. Continue the broad public education program to increase awareness of the need to meet recycling goals.
65. Tailor educational efforts to target each culture within our community in a way that has proven most effective for that group.

FRESNO CITY PARKS SANITATION FACILITIES

Introduction

The 2000/2001 Fresno County Grand Jury inspected toilet facilities at Roeding Park, Woodward Park and six neighborhood parks.

Conditions reviewed:

- Cleanliness and cleaning schedules
- Condition of fixtures and stalls
- Privacy locks on toilet doors
- Presence of soap
- Presence of hand drying materials or machines
- Plumbing leaks

Findings

The toilets housed within multiple use buildings were in better condition than those in stand alone facilities. Cleanliness was satisfactory, although in many instances the floors were wet, due to the fact that they had recently been mopped. The toilets did not have disposable seat covers available. The newer toilets are being made of stainless steel replacing the older style porcelain toilets. Some of the stall walls were in need of repair. A few toilets did not flush or were running constantly. None of the facilities had any kind of hand cleaning material or paper towels. Most had electrically operated hand-blowers.

These findings were discussed with Parks, Recreation and Community Services. The jury received the following explanations:

- A. Regional park sanitary facilities are cleaned twice per day and visited at least three times per day.
- B. Local neighborhood park facilities are cleaned daily.
- C. To discourage deviant behavior, locks are not being placed on toilet stalls.
- D. As a result of vandalism, the policy is to replace porcelain toilets with stainless steel.
- E. Due to theft and vandalism, paper towels, soap, and soap dispensers are no longer provided.
- F. Graffiti is removed within 48 hours.
- G. Painting is scheduled as needed.

Two new parks are being added this year.

Conclusion

The Grand Jury found sanitation and toilet facilities in the parks are adequately maintained given the limited budget. The attendance and use of parks has increased. With the addition of two new parks this year, it is apparent that the funds allocated for this purpose are inadequate to accommodate the public need.

Recommendations

The 2000/2001 Fresno County Grand Jury makes the following recommendations:

66. Increase the budget to provide for care of the new parks.
67. Add personnel to help maintain the park sanitation facilities.
68. Provide adequate funds for replacement of fixtures with more durable ones.

CITY COUNCIL INFRASTRUCTURE FUNDS

Introduction

The Fresno City Council discretionary infrastructure budget was examined by the 2000/2001 Fresno County Grand Jury.

Findings

Each council district has been assigned an annual budget of \$140,000. These funds are designed to be used for infrastructure projects. Some of these taxpayer funds have not been used for infrastructure improvements. Examples of the questionable expenditures are:

➤ Teen Festival/Mosqueda Center	\$3,000
➤ Insurance Counseling Advisory	2,200
➤ "Go for It" Road Show Selland Arena Fees	2,000
➤ Barios Unidos Dinner Dance Fees	1,400
➤ California Comm Services Event	3,000
➤ Downtown Taco Festival	2,000

The infrastructure funds were derived from the following sources:

➤ General Fund	\$54,000
➤ Gas Tax Fund	49,400
➤ Proposition 111	22,100
➤ Measure C Fund	<u>14,400</u>
Total:	\$140,000

For the fiscal year 2000, several districts had substantial unspent funds, some with carryovers from the previous year. A portion of these funds may have been committed for projects in progress. For fiscal year 2001 to date, some districts still have substantial unspent funds.

Conclusion

A significant saving for the city budget could be attained by reducing the amount of infrastructure funds apportioned to each council district.

Recommendations

The 2000/2001 Fresno County Grand Jury recommends that:

69. Distribution of the City Council discretionary infrastructure funds be reviewed and approved by the City Manager prior to disbursement.

70. Consideration be given to reducing the current allotment from \$140,000 to \$70,000 per district.
71. Carryover of any unused infrastructure funds be eliminated.
72. Future Grand Juries continue to monitor the program.

CITY OF FRESNO WATER METERS

Introduction

Upon review of the 1999/2000 Fresno County Grand Jury report, the 2000/2001 Grand Jury investigated the current status of water availability and management.

Findings

- A. The majority of existing multi-family dwellings and commercial buildings have meters in place, which are being read.
- B. The City Charter does not permit the reading of water meters at single family residences. New construction requires meter installation.
- C. A proposal to meter water has been voted upon twice within nine years and defeated each time.
- D. The City of Fresno's 40-year contract with the United States Bureau of Reclamation (USBOR) for Millerton Lake and San Joaquin River water expires in 2006. This represents approximately 40% of the city's water supply.
- E. A 1992 federal law requires adequate *water measuring methods* to renew the USBOR contract. The USBOR has informed the city that metering of water will guarantee continued delivery from Millerton Lake.
- F. The City of Clovis uses water meters. Studies reveal that the water use per household is approximately 25% less than use by Fresno residences.
- G. "Water police" have been inactive due to lack of funds.
- H. Fresno is one of few cities in California of comparable population that does not use meters to measure water consumption.
- I. Millerton Lake and San Joaquin River water may become available to other buyers if metering is not instituted prior to 2006.

Conclusions

- A. The cost of contractual water may increase. Metering of water will allow equitable distribution of costs.
- B. The installation of approximately 80,000 meters could cost in excess of \$35,000,000. Charges for administration, meter reading and maintenance as well as billing will increase the ongoing cost.

C. If metering is not in place prior to the end of the existing contract, Fresno could lose some of its water supply.

Recommendations

The 2000/2001 Fresno County Grand Jury recommends that:

73. The Mayor, City Council and all civic groups unite to promote the installation of water meters.
74. Homeowners and businesses that currently have meters be excluded from further meter installation costs.
75. The city utilities department continue to publish average water bills for various family sizes with and without meters.
76. Water police be reactivated to prevent water waste.

BASEBALL/MULTI-USE STADIUM

Introduction

The 2000/2001 Fresno County Grand Jury reviewed the reports of the 1998/1999 and 1999/2000 Grand Juries. During the tenure of the present Grand Jury, the Fresno City Council approved the stadium project. Work has commenced on the site.

Findings

- A. The City of Fresno has chosen not to audit the books of the Fresno Diamond Group (FDG).
- B. The estimated \$46,000,000 cost of the project will be financed through the sale of bonds issued by the City of Fresno.
- C. These will be approximately 40% tax free Municipal Bonds and 60% Taxable Revenue Bonds. A private company carrying a Standard and Poor Aaa rating will insure the bonds.
- D. The Redevelopment Agency (RDA) spent approximately \$7,000,000 to purchase and demolish real estate for the stadium and to prepare the site for construction.
- E. Current projections indicate an approximate \$500,000 shortfall in revenue, annually.
- F. Amortized over 30 years, the total financial cost for the project including interest is \$96,000,000. This plus \$7,000,000 spent by RDA brings the total to approximately \$103,000,000.
- G. The city has given FDG offset allowances of \$600,000 to install a scoreboard and \$800,000 for turf protection.
- H. Because of contractual offsets, the city will not receive cash rent for the first two years. The city will cover that shortfall with funds obtained through the bond issue.
- I. Beginning with the third year, FDG will pay \$1,500,000 annually for 28 years.
- J. Total annual debt service, including interest, will be approximately \$3,300,000.
- K. Traffic control and any other security not provided by FDG have not been factored into the budget.

- L. A plan for safety, including traffic control, has not been presented.
- M. The contract with FDG allows the City 17 days per year for its sole use of the stadium. The City allocates seven of these days for discretionary use by individual City Council Members.

Conclusions

- A. The credit worthiness of FDG has not been clearly established.
- B. The financial burden on the city is being increased.
- C. Security and traffic control plans have not been made public.
- D. Should concurrent events take place within the greater downtown area, traffic congestion and availability of parking may be seriously impacted.

Recommendations

The 2000/2001 Fresno County Grand Jury recommends that:

- 77. The City require an annual independent audit of the financial statements of FDG.
- 78. All seventeen dates the city controls be devoted to for-profit events to enhance the City's revenues.
- 79. The public be assured of coordinated parking and security by FDG and the City.

CITY OF FRESNO FIRE DEPARTMENT

Introduction

The 2000/2001 Fresno County Grand Jury investigated the City of Fresno Fire Department's (FFD) rating as established by the Insurance Services Office, Inc. (ISO). This organization evaluates the level of fire protection, the ability to receive and answer alarms, and the adequacy of water supply. A maximum of 100% credit is available. The percentages are broken into ten ISO Public Protection Classes. Class 1 equates to the top rating of 90-100%. Class 10 equates to the lowest rating, 0-9%. When last evaluated in 1995, the City of Fresno was rated a Class 4, achieving a rating of 66.07%.

These classifications were developed for fire insurance rating purposes only. Insurance companies may use the agency's classification to assist in setting property insurance premiums.

Findings

A. Vehicle needs:

To receive a classification rating of #1, Fresno would need to have 20 engine companies and seven truck companies. Currently, there are 16 engine companies and five truck companies available around the clock. The department has five spare engines and two spare trucks. Aging equipment and associated maintenance problems make it difficult for the department to keep more than 16 engines and five trucks in operation at any one time. Parts cannibalization keeps spares out of commission. More fire fighting tools and equipment are needed for all engines and trucks. If an on-line vehicle goes out of commission, equipment must be taken from an inoperable vehicle and used in the replacement to make it operational. After 80,000 miles (eight to ten years of service) maintenance costs and downtime increase significantly. Of Fresno's 28 engines/trucks, 14 have over 80,000 miles, five have between 50,000 and 80,000 miles, six have between 25,000 and 50,000 miles, and three have less than 25,000 miles. *The City of Fresno does not have a budgeted fire apparatus replacement plan.*

B. Personnel needs:

The following statistics are provided by the National Fire Protection Association (NFPA). The national median staffing for career fire departments, protecting city populations between 250,000 and 500,000, is 1.6 firefighters/1000 population. The Western U.S. Region median staffing was 0.83 firefighters/1000 population. Fresno city staffing is currently 0.58 firefighters/1000 population. City fire apparatus manning is presently set at three firefighters per vehicle. Occupational Safety and Health Administration (OSHA) rules require that two firefighters must be outside a burning structure if two firefighters enter it. Therefore, Fresno must have at least two

companies on scene in order to stay within the two man OSHA guidelines, unless a rescue is imminent.

C. Capital, infrastructure and response times:

The Fresno City Fire Department covers 104.5 square miles of the city with 16 fire stations. This is an average of 6.5 square miles per station. However, actual areas of coverage vary greatly depending upon location. Several years ago FFD adopted the NFPA standard response time goal of arriving at fire scenes within 5.5 minutes, 90% of the time. In the southeast (Sunnyside area) the FFD arrives at fires within this standard 29% of the time. In the northwest the response time goal was met 37% of the time. Factors such as time of day, traffic, speed bumps and the city's failure to fully implement the installation of traffic light pre-emption devices at key intersections all affect the response times. These devices allow the fire engines/trucks to turn traffic lights to green in their direction of travel. The cost of these devices is approximately \$10,000 per intersection. The City of Fresno has two of these pre-emption devices installed. By comparison, the City of Clovis has all of their traffic signals modified.

Conclusions

- A. The City of Fresno has highly trained and motivated firefighters. The Fresno metropolitan area has never had a major incident, accident or emergency situation that led to a catastrophe. A major fire would stretch all of the local fire departments to capacity. The rationale that *it has worked well for the last twenty years, therefore it will be adequate for the next twenty years*, is not sufficient.
- B. From an economic standpoint, the insurance industry could look at ISO and NFPA statistics and conclude that fire risks are increasing in Fresno. This means that fire insurance premiums could increase for everyone. The City of Fresno continues to underfund the needs of the Fire Department.
- C. The City of Fresno does not have a budgeted fire vehicle replacement plan to reduce the age of the fleet and associated higher maintenance costs.
- D. The inventory of fire fighting tools for engines/trucks is not sufficient.
- E. The city fire department is operating with the minimum number of firefighters. Its 0.58 firefighters/1000 population is considerably below national and regional standards.
- F. The City of Fresno has not completed its installation of traffic pre-emption devices.

Recommendations

The 2000/2001 Fresno County Grand Jury recommends that:

80. The fire department have a budgeted *vehicle replacement plan*. The city should consider replacement of vehicles after seven or eight years while they still have significant value on the used fire vehicle market.
81. The inventory of fire fighting tools be increased so that all spare engines/trucks are fully equipped.
82. The city recognize the need to increase the number of fire fighting personnel.
83. The City of Fresno revisit its traffic light pre-emption plan and budget funds to complete this program.
84. The Fresno Fire Department develop a plan to reduce response times to the NFPA standards.

COUNTY COMMITTEE

Rick Allen, Chair

James Cotton

Fred Goldring

Ann Thaxter

James Torosian

Donald Wilson

COUNTY COMMITTEE

INTRODUCTION

The 2000/2001 Fresno County Grand Jury County Committee's primary function is to oversee all aspects of county government, incorporated cities not including Fresno, and special districts. Among the committee's responsibilities is to insure that county monies and operations are handled in an efficient, effective and appropriate manner that best serve the interest of the citizens.

The Grand Jury received requests for inquiries into various government operations within the County of Fresno. The County Committee conducted inquiries of the following:

- A. The operations and management of the Office of the Public Administrator/Public Guardian.
- B. Operation of the Coroner's Office. Allegations of misconduct regarding utility bill collection policies in the City of Mendota.
- C. Complaints regarding the management of the City of Parlier. (The result of this investigation is presented in this report under the heading - Ad Hoc Committee, City of Parlier).
- D. The operations of the Elkhorn Correctional Facility.
- E. The need for a Briefing Book for newly elected members of the Fresno County Board of Supervisors and Fresno City Council.

In the course of conducting these inquiries the committee gathered facts, interviewed many citizens, officials, department heads and employees of the County of Fresno and cities within the County of Fresno. During the process of the investigations, the committee made numerous field trips to government facilities within the county.

OFFICE OF THE PUBLIC ADMINSTRATOR/PUBLIC GUARDIAN

Introduction

The 1999/2000 Fresno County Grand Jury Report prompted a review by this jury panel of the Public Administrator/Public Guardian Office (PA/PG).

Findings

- A. The PA/PG has the fiduciary responsibility for almost \$10,000,000 of clients' assets. Current practice is to invest these funds in certificates of deposit (CDs) or brokerage accounts. The Fresno County Treasury Pool is available for investment of these funds at attractive returns and with daily liquidity. At this time the PA/PG is not utilizing the County Treasury Pool.
- B. Inspection of care facilities and review of clients' medical care are carried out on a regular basis. Nursing homes and home care sites are visited and evaluated by staff. Concern was expressed about the amount of time needed to complete necessary inspection documentation. Public Guardian Deputies expressed concern about making a proper medical assessment. According to staff, a registered nurse would be a great help in making these inspections and documenting medical evaluations of the care being given the client.
- C. With the passage of California Senate Bill 1742, the number of client cases will increase by an unknown factor. This could mean that law enforcement agencies may make direct referral of victims of elder abuse to PA/PG to secure the client's estate and safety. In addition, the Department of Adult Protective Services may request expedited processing by PA/PG.
- D. The PA/PG has unique storage needs. Adequate dry storage space is required for records and documents. Clients' possessions must be maintained for future disposition. Expensive off-site mini-storage is now used.
- E. Long Term Care Insurance is not being used to offset client costs.

Conclusions

- A. Use of the County Treasury Pool would assure that PA/PG client monies would be handled with security, yield a reasonable interest return and afford timely access.
- B. Storage facilities in the PA/PG office remain unsatisfactory.

- C. Oversight and inspection responsibility of the PA/PG for health care facilities creates a need for a trained health care professional accessible to staff on a regular basis.

Recommendations

The 2000/2001 Fresno County Grand Jury recommends that:

- 85. The PA/PG evaluate the use of the County Treasury Pool.
- 86. Storage be improved for case records and client assets. Construction of an on-site storage building would eliminate the need for expensive off-site mini-storage.
- 87. Evaluate the need for additional deputies due to the implementation of the new Elder Abuse Referral Law SB 1742.
- 88. PA/PG add the services of a Registered Nurse to staff. This person would aid in evaluating and inspecting medical care facilities as well as review proposed client treatment and prescription history.
- 89. PA/PG evaluate the purchase of Long Term Care Insurance for those clients who would be eligible.

OFFICE OF THE FRESNO COUNTY CORONER

Introduction

The 1999/2000 Fresno County Grand Jury report prompted an unannounced visit to the facilities of the Fresno County Coroner on December 19, 2000 by the 2000/2001 Grand Jury.

Findings

- A. The cleanliness of the autopsy suite and nearby spaces was satisfactory.
- B. The holding room for bodies is cooled by air conditioning rather than refrigeration. This produces an objectionable odor on hot days.
- C. Storage of the coroner's tissue specimens and records is improved over last year, but remains cumbersome.
- D. The laundering of body bags and other items is performed in two old, noncommercial washing machines in an unkempt room accessible only from the outside.

Conclusions

The coroners' facilities and equipment are marginally adequate for their needs. With its anticipated growth, Fresno will need a new facility within seven to ten years.

Recommendations

The 2000/2001 Fresno County Grand Jury recommends that:

- 90. A plan be developed for a new morgue before the County reaches a crisis situation.
- 91. A new commercial washing machine be purchased for on-site laundering needs and/or use a commercial laundry.
- 92. Reference be made to the Grand Jury reports of 1998/1999 and 1999/2000 regarding the need for improvement of record storage.

MENDOTA UTILITY BILL COLLECTIONS

Introduction

The 2000/2001 Fresno County Grand Jury received a written complaint regarding bill collection policies in the City of Mendota.

The complaint included the following allegations:

- A. Some employees of the City of Mendota had not paid their water/utility bill for a period in excess of one year.
- B. Some elected officials were not making timely payments of their water/utility bills.
- C. This activity had been disclosed by the City Manager and/or City Attorney. It was alleged that the entire City office staff was involved.
- D. The 2000/2001 Grand Jury issued a subpoena for certain records covering the payment of water/utility bills by current and former Mendota city employees and elected officials. These records were provided to the Grand Jury on August 30, 2000.

Findings

Information reviewed showed that several employees of the City of Mendota and one City Council member had balances that were delinquent from three to thirty-five months. These accounts were delinquent in excess of the period allowed by the City of Mendota Municipal Code. Service should have been disconnected; however, these accounts were allowed to remain active. The City designated an employee who was charged with the responsibility for the preparation of a shutoff list and shutoff notices. The lists and notices were not prepared for these accounts. This abuse was due to relationships of the individuals involved. All outstanding balances, including penalties, were paid by the time testimony was taken. As a result of this incident, the City Manager established and issued a written policy regarding the non-timely payment of utility bills.

Conclusion

As the result of the documented abuses of the Mendota Municipal Code, delinquent accounts of several former employees and a former City Council Member were collected in full along with appropriate penalties. The City Manager issued written procedures for the handling of late payment, partial payment or non-payment of utility bills.

Recommendations

The 2000/2001 Fresno County Grand Jury recommends that:

93. The monthly shutoff list and notices be reviewed by an individual independent of the accounting department of the City of Mendota.
94. The subject of outstanding utility bills be reviewed during the annual financial audit conducted by an outside auditor.
95. The City establish and maintain training for all employees on the use of the Municipal Code and written procedures and policies regarding the collection of utility bills.

ELKHORN CORRECTIONAL FACILITY

Introduction

The 2000/2001 Fresno County Grand Jury followed up on the recommendation of the 1998/1999 Grand Jury to monitor the operation of the Elkhorn Correctional Facility (Juvenile Boot Camp). The Grand Jury toured the Elkhorn Correctional Facility (ECF) on September 1, 2000. The director and support staff provided a briefing on the history of the facility and its goals.

Information was received from Elkhorn management, members of the Fresno County Board of Supervisors, the Chief Probation Officer and officials of the City of Fresno.

Findings

- A. At the time of the visit, plans had been prepared and state funding approved to increase the capacity of ECF from the then existing 200 beds to as many as 400 total beds. The Board of Supervisors voted against implementation of this expansion.
- B. The Grand Jury reviewed a February 11, 1997, letter from the former County Chief Administrative Officer to the Board of Supervisors which outlined the commitments that he had made to the Branch Jail Liaison Committee. The committee was comprised of neighbors of ECF. Items covered by this letter included a commitment to the neighbors that the juvenile participants would fall into a classification of minimum security who have no history of violent offenses or arson.
- C. In early 2000, ECF started accepting juveniles into a "Delta Program". The criteria for juvenile offenders to be included in the Delta Program are those "...who have three or more separate offenses: have served previous confinement periods: been Boot Camp failures: or have a violent offense which precludes acceptance to the Boot Camp Program." Juveniles who are part of the Delta Program are segregated from those in the regular Boot Camp.
- D. Elkhorn has the capacity to house 200 juveniles. The average daily population for the first half of fiscal year (FY) 2000/2001 was 176. The FY 2000/2001 operating budget for ECF was \$4,934,884. This budget was based on the Boot Camp operating at full capacity of 200 beds for the fiscal year. City, state and federal funding of \$4,332,640 is used to offset all but \$602,244 contributed by the County of Fresno General Fund. The annual cost per bed (based on 200 beds) is \$24,674 or \$67.60 per day when computed on the total operating budget of \$4,934,884. The amount paid directly from Fresno County General Funds is \$602,244. This reduces the annual cost per bed to approximately \$3,011 or \$8.25 per day.

- E. The cost of sending juvenile offenders to the California Youth Authority (CYA) has skyrocketed. Annual expense to the County of Fresno of \$500.80 per person in FY 95/96 has increased to an estimated cost of \$40,540 per person in FY 2000/2001. The number of juveniles committed to CYA has declined to an estimated 111 for FY 2000/2001 from an actual commitment of 219 in FY 95/96. The cost to the County of Fresno has increased from \$109,676 in FY 95/96 to an estimated \$4,500,000 in FY 00/01.
- F. No female juveniles are housed at the Elkhorn Boot Camp.
- G. The average length of stay by juvenile offenders is 5 ½-6 months in the Boot Camp and 8-9 months in the Delta Program.
- H. The recidivism rate (re-arrest and conviction on new misdemeanor or felony offenses) for many boot camps throughout the country is estimated at 50%. The recidivism rate for juveniles that have successfully completed the Fresno County Boot Camp Program is less than 12% (Fresno County Briefing Report March 2, 2001).
- I. Upon completing the requirements and release from boot camp, most juveniles are required to attend Teilman Continuation School.
- J. The majority of juvenile offenders confined at Elkhorn lived or committed their crimes in the City of Fresno. The Fresno City Council has committed to aid the funding of Elkhorn Correctional Facility at the rate of \$1,000,000 per year.

Conclusions

- A. The present size of ECF is sufficient to meet current needs. A commitment made to the neighbors in 1997 set guidelines for the use of the facility to house juvenile offenders.
- B. The number of juvenile offenders now housed at ECF Bot Camp is in excess of the 125 stipulated in the February 1997 commitment.
- C. The type of juvenile offenders in ECF Delta Program does not comply with the February 1997 commitment to house only those who have no history of violent offenses or arson.
- D. The housing of juvenile offenders at ECF is cost effective when compared to CYA.

- E. The recidivism rate is significantly lower than the national average for boot camp facilities. This low rate is achieved by the nature and operation of this particular boot camp along with the required schooling and follow-up after completion of the program and release from custody.
- F. A large number of the juvenile offenders at ECF lived in or committed crimes in the City of Fresno. A portion of the reduction in the Fresno City Crime Rate can be attributed to the ability to incarcerate the juvenile offenders that are at ECF.
- G. The reported recidivism rate indicates the high degree of success of ECF Boot Camp program. ECF graduates are encouraged by the Boot Camp program to make significant lifestyle changes and become law abiding, productive citizens.

Recommendations

The 2000/2001 Fresno County Grand Jury recommends that:

- 96. The Fresno County Board of Supervisors review commitments made in the February 11, 1997, letter issued by a former County Chief Administrative Officer and assure the neighbors of ECF that the County intends to honor these commitments. If certain commitments cannot be met, the County should negotiate with the neighbors to reach an equitable arrangement.
- 97. The Board of Supervisors continue to fund and maintain the present level of services at ECF.
- 98. The City of Fresno continue to fund Elkhorn Correctional Facility at no less than the current rate of \$1,000,000 per year with no sunset provision.
- 99. The County provide boot camp facilities for female juvenile offenders.
- 100. Future Grand Juries continue to monitor the activities at the Elkhorn Correctional Facility.

BRIEFING BOOK FOR NEWLY ELECTED OFFICIALS

Introduction

As the result of testimony received from newly elected members of the Fresno City Council and Fresno County Board of Supervisors, the Grand Jury reviewed the procedure for providing information to these individuals prior to assuming office.

Findings

The amount of information made available to newly elected officials has been based on the cooperation of the official leaving office. The information or background material made available is not uniform. There is no set procedure or clearinghouse to assure that needed information is furnished. Constituent files maintained by the outgoing official may or may not be preserved and made available to the newly elected official. No procedures are in place to assure that background and historical information on subjects that may be brought before newly elected officials is provided to them.

Conclusion

Newly elected public officials receive needed information in a non-uniform, piecemeal manner. It is important that they receive necessary and pertinent information in order for them to make informed decisions early on in their term. Constituent inquiries and file information is critical for an orderly transition.

The County Chief Administrative Officer is in the best position to prepare and maintain necessary data for newly elected members of the Board of Supervisors. The City Attorney and City Manager are best equipped to provide this to newly elected members of the Fresno City Council.

Recommendations

The 2000/2001 Fresno County Grand Jury recommends that:

101. Constituent files be retained and made available to newly elected officials.
102. The County Chief Administrative Officer and staff prepare and maintain briefing books, position papers, background and historical data. They should act as a clearinghouse to assure that uniform information is provided to newly elected members of the County Board of Supervisors.
103. The City Attorney and City Manager and their staffs prepare and maintain briefing books, position papers, background and historical data. They should act as a clearinghouse to assure that uniform information is provided to newly elected members of the Fresno City Council.

EDUCATION, LIBRARY AND YOUTH COMMITTEE

Richard Gaston, Chair

Otto Berg

Pat Daher

Richard Key

Linda Little

Tom Spencer

EDUCATION, LIBRARY AND YOUTH COMMITTEE

INTRODUCTION

The Education, Library and Youth Committee addressed a number of areas of concern. Six were investigated and twelve facilities were visited. The subjects of investigation were:

- A. Unification of the Washington Union High School District with six elementary districts: West Fresno, Orange Center, Washington Colony, American Union, Pacific Union and West Park
- B. State Center Community College District hiring and promotional practices
- C. Edison-Bethune Charter School
- D. Edison High School Expansion and Reconstruction
- E. Kerman Unified School District fiscal problems
- F. Student violence emergency plans for school districts in Fresno County

In the course of the investigations, the committee interviewed relevant witnesses and visited school districts.

STUDENT VIOLENCE EMERGENCY PLANS

Introduction

Fear of violence by students toward students and/or staff has increased to alarming levels at schools throughout the nation. Parents, educators, and children are deeply concerned about campus safety. In response to this concern, the 2000/2001 Fresno County Grand Jury requested information from the 34 school districts within Fresno County, and community college districts, as to the plans in place should such an incident occur. The following districts replied:

- Alvina Elementary School District
- Burrel Union Elementary School District
- Central Unified School District
- Clay Joint Elementary School District
- Clovis Unified School District
- Coalinga-Huron Unified School District
- Fowler Unified School District
- Fresno Unified School District
- Kerman Unified School District
- Kingsburg Joint Union School District
- Kings Canyon Unified School District
- Monroe Elementary School District
- Orange Center School District
- Pacific Union School District
- Parlier Unified School District
- Raisin City School District
- Riverdale Joint Unified School District
- Sierra Unified School District
- State Center Community College District

Findings

Nineteen school districts responded to the Grand Jury's request for emergency plans dealing with student perpetrated violence or invasive violent behavior. Plans varied according to demographics, philosophy, and district preferences.

Districts in rural areas, with small enrollments, are usually comprised of one school location with different buildings for elementary and middle school students.

Superintendents/Principals in these schools indicate that they are able to know their children individually and are aware when one exhibits unusual behavior. There is also a closer relationship with parents and the surrounding community than is possible in large districts.

Urban school districts, with large student enrollments and more diverse ethnicity, have numerous contingencies to consider. District wide procedures have already been mandated by the districts that responded to the Grand Jury's request for information.

Programs, and policies that follow, represent a compilation of responses from the districts listed above:

- A. Comprehensive school wide plan for emergency situations
- B. Emergency situation in-service meetings for students and staff
- C. Police/Sheriff presence on campus
- D. DARE (Drug Abuse Resistance Education)
- E. GREAT (Gang Resistance Education and Training)
- F. COPS (Cops in School)
- G. MAGEC (Multi Agency Gang Enforcement Committee)
- H. Student Drug Prevention Council
- I. Lockdown by signal
- J. Zero tolerance policy on carrying weapons
- K. Two-way radio/telephone systems
- L. Emergency drills
- M. Identification badges for staff and visitors
- N. Limited access to school grounds with strategically placed gates
- O. Exterior video-camera surveillance
- P. Drug intervention canine program
- Q. Psychologists available for at-risk students
- R. Counselors, anger management programs available
- S. School regulations on sexual harassment, racial slurs and weapons (E.C. 48900)
- T. Uniforms or dress codes

Conclusions

Most of the responding districts have plans to address threatening situations, some more comprehensive than others. Some districts have installed special surveillance equipment, upgraded telephone and/or two-way radio communication. Special attention is given to campus entry and exit. Most districts have a lockdown procedure when in emergency mode. COPS and DARE programs are in operation at almost all campuses.

A recurring theme throughout the responses was the need for students and staff to treat each other with dignity and respect. "A caring community is the first line of defense". The Grand Jury is concerned that fifteen districts that did not reply and are not adequately prepared for possible violent events on their campuses.

Recommendations

The 2000/2001 Fresno County Grand Jury recommends that:

104. All school districts develop and implement plans that deal with violence perpetrated by students, staff or intruders.
105. Students and all campus personnel be regularly in-serviced on relevant policies and procedures.

WASHINGTON UNION HIGH SCHOOL DISTRICT UNIFICATION

Introduction

There are approximately 1,000 students in the Washington Union High School District. The following K-8 Elementary Schools, each of which constitutes an independent school district, serve as feeder schools for Washington Union High School:

<u>School Districts</u>	<u>Approximate Enrollment</u>
West Fresno Elementary	933
West Park Elementary	360
Orange Center Elementary	380
Washington Colony Elementary	450
American Union Elementary	434
Pacific Union Elementary	497

The 2000/2001 Fresno County Grand Jury visited Washington Union High School and the six (6) elementary schools and discussed with the administrative staff of each school district and, in some instances, with School Board Members, the advantages and disadvantages of unification and other matters relating to school administration.

Findings

- A. Annual administrative salaries range from \$26,877 to \$140,320 per district.
- B. Annual travel and conference expenses range from \$8,084 to \$107,527 per district.
- C. The curriculum of the feeder schools are not coordinated and do not always meet the standards established by Washington Union High School.
- D. Special school programs (e.g., food services, bus transportation, health care, Title I programs) are not always administered efficiently and economically.
- E. Except for West Fresno Elementary, all schools appear to be well administered.

Conclusions

- A. Unification might effect savings in administration costs; however, this appeared not to be a major concern of the school districts.
- B. The schools within each district are a source of community pride.
- C. There is parent participation in the education process.
- D. With the exception of West Fresno School District, the faculty and students appear to have a favorable educational environment.

West Fresno School District has had a long and well-publicized history of instability. Lack of harmony among school board members has fostered an atmosphere of uncertainty that decreases the district's ability to recruit and retain personnel. As a result, the faculty and students are denied a favorable educational environment.

Recommendations

The 2000/2001 Fresno County Grand Jury recommends that:

- 106. West Fresno School District unify with Washington Union High School District.
- 107. The other K-8 school districts consider unification; however, if there is a strong desire to retain independence, the districts should initiate Joint Powers Agreements to provide adequate special school programs.
- 108. The Districts develop coordinated curriculum that will enable students to function efficiently at the high school level.

STATE CENTER COMMUNITY COLLEGE DISTRICT HIRING AND PROMOTION PRACTICES

Introduction

A complaint was received concerning minority hiring practices, promotions and job retention at Fresno City College (FCC). The complainant alleged that there is a systematic process of opposition to and retaliation against minorities who present issues and concerns to the FCC Administration. The complainant further stated that this resulted in loss of jobs and affected teaching assignments and promotional opportunities. The complaint lacked specific names or incidents. The State Center Community College Chancellor, Fresno City College President and minority and non-minority faculty members were interviewed.

Findings

FCC is one branch of State Center Community College District (SCCCD) which establishes policies and procedures for all member colleges. Testimony and documents indicate that the SCCC Administration makes significant efforts to recruit and hire qualified college faculty and staff members to serve the needs of a diverse student population. The Board of Trustees, Administration and Academic Senate share the responsibility to ensure that affirmative action goals are an integral part of the process. The participants involved in applicant screening, selection and interview processes are provided training in affirmative action procedures and goals. Committees from the discipline involved have one affirmative action member on that committee. Job descriptions are established by the statewide Academic Senate. The District Affirmative Action Officer reviews each position and job description to insure that affirmative action and nondiscrimination guidelines are followed.

Conclusion

Review of student and faculty ethnic population figures reflect a satisfactory ratio of representation. Minority faculty members interviewed did not support the perception that there is a process of direct and overt action against minorities by the administration. The Fresno County Grand Jury has been assured that policies and procedures are available to address specific incidents of discrimination. The recruiting of qualified faculty and administrators at state and national levels is being reviewed. A policy to advertise positions at predominantly minority universities and in publications has been implemented.

Recommendations

The 2000/2001 Fresno County Grand Jury recommends that:

109. The SCCCD administration and the campus presidents continue to review procedures and policies to address grievances and concerns by its faculty, staff and students.
110. Avenues of redress be available and be understood by all.
111. Every effort be made to resolve concerns within the campus community.

EDISON-BETHUNE CHARTER SCHOOL

Introduction

Bethune Elementary School, with a history of low academic performance, was chartered in 1999 under the auspices of Edison, Inc., a private, for profit organization. The charter was granted by the Fresno County Board of Education, having first been denied by the Fresno Unified School District (FUSD) Board of Trustees. The 1999/2000 Grand Jury examined the program at Edison-Bethune (see 1999/2000 Grand Jury Report). The 2000/2001 Grand Jury was asked to continue reviewing academic progress at the school as SAT9 scores were not available before the Grand Jury report went to press.

Findings

Enrollment at Edison-Bethune was 703 in 2000. At present there are 620 students enrolled. Of these, 52% are African-American, 42% Hispanic, 2% Asian, and 6% Caucasian. Sixty children at Edison-Bethune come from foster homes. Kindergarten through second grades are at the state mandated class size of twenty (20) or less per class. Third through sixth grades average thirty-one (31) students per class. Due to the transient nature of the community there was a 41% student turnover last year.

The teaching staff of thirty-eight consists of former Bethune Elementary teachers who have permanent status with FUSD as well as recent hires to Edison, Inc., who will remain temporary. Four are still working on their credentials. Nineteen teachers have resigned or have been transferred since the inception of the charter school. The faculty is predominantly Caucasian, while the classified employees are ethnically more representative of the community.

Administration is making a strong effort to recruit teachers of color to Edison-Bethune. This is not an easy task as Edison, Inc. salaries are not competitive with FUSD, the school year is longer, and the teaching day is from 8 AM to 4 PM. (There are incentives such as performance merit bonuses at the end of the year, if possible, and stock options.) Preparation time is not included in the 8 AM to 4PM workday.

The 2000 SAT9 scores at Edison-Bethune were about the same as the previous year for all grades. The statewide Academic Performance Index exceeded expectations, missing the state bonus by just one point. Although improvement of test scores is a primary focus at Edison-Bethune, great emphasis is still given to assertive discipline techniques. The first ninety minutes of the day continue to be devoted to undisturbed reading with the entire staff and student body involved. There is a commitment to the concept of growth through *safety, responsibility, and respect*.

The computer lab at Edison-Bethune is fully utilized. Every class spends at least forty-five minutes per week in the lab. Parents are offered a comprehensive computer-training course at school, after which their child is provided an iMac computer to use at home. This system connects to the Intranet sharing information among the eighty-seven Edison schools. Implementation of this program has been difficult due to cellular phones replacing standard lines in many homes. Families who have taken advantage of the program are very enthusiastic about its positive effect on their children.

Attendance is an ongoing problem and greatly impacts Edison-Bethune's income from the State through Average Daily Attendance funds. A classified aide has been assigned full time to the task of reaching families of absentees, making every effort to get children to school.

Conclusion

The Edison-Bethune administration and staff are committed to providing a superior educational experience to their students. They realize that it may take several years of consistent and focused instruction, discipline, and nurturing to meet their own goals as well as those mandated by the State of California.

Recommendation

The 2000/2001 Fresno County Grand Jury makes no recommendation.

EDISON HIGH SCHOOL EXPANSION AND RECONSTRUCTION

Introduction

Edison High School (EHS), Fresno's fourth, was built in the early 1920's. It was preceded by Fresno Technical High School (no longer in existence), Fresno High School and Roosevelt High School.

EHS (then Edison Technical High School) was located on California Avenue in Southwest Fresno. It was originally designed to meet the needs of the children of predominantly immigrant parents who had built their homes west of the Southern Pacific Railroad tracks. The ethnic makeup was approximately 45% Volga German, 40% Italian, 10% Asian and 5% other racial groups.

The school housed grades 7 through 12. It was designed to provide "technical" education. Emphasis was placed on shop, commercial courses (bookkeeping, typing, shorthand) and other job related programs. During the years prior to 1940, very few graduates attended college. World War II triggered a significant change in the population and ethnicity of West Fresno and EHS. Many young people entered the Armed Forces or left Fresno for higher paying war related jobs. The older generation declined in number. West Fresno was gradually repopulated by other ethnic groups, primarily Hispanic and African-American.

The changing and rapidly increasing population of West Fresno changed the environment and needs of EHS. To meet the needs, Fresno Unified School District in 1990-1991, developed a "Conceptual Site Master Plan" to transform EHS from a "cramped, undersized, over-portabalized facility to becoming a state of the art, comprehensive full sized high school plant". This was to be accomplished while maintaining classroom and school activities.

Dissatisfaction was expressed in the 2000/2001 school year by students and parents relating to delays in construction and interference with school activities. Meetings were held with students and parents to address their concerns.

Findings

Efforts to expand and modernize EHS have created enormous difficulties, including:

- A. The Master Plan contemplated eight phases of work. The last was scheduled for mid-2002.

- B. Funding was to be made available from various sources involving two state programs; one relating to “growth” and the other to “renovation” under the State Modernization Program. Availability of funds and classification of expenditures posed problems.
- C. Additional land along Walnut Avenue required for the project was not acquired from the Fresno Redevelopment Agency until 1999.
- D. Unforeseen difficulties during the construction process included:
 - a) Concerns of the Fresno Irrigation District relating to its underground irrigation pipeline (formerly a ditch) through the center of the campus.
 - b) Relocation of overhead power lines on the newly acquired Walnut Avenue property.
 - c) Demolition (rather than modernization) of existing shop buildings.
 - d) Numerous problems relating to the necessity for the maintenance of classroom instruction and school activities.

Conclusion

Despite the complexities of the project, construction is presently on schedule. Classroom and school activities are not now unduly impeded. Personnel currently connected with the project are to be commended.

Recommendation

The 2000/2001 Fresno County Grand Jury recommends that:

- 112. When school construction projects are scheduled, arrangements should be made for regular meetings between school administrators, parents, architects and construction company personnel to address areas of concern.

KERMAN UNIFIED SCHOOL DISTRICT FISCAL PROBLEMS

Introduction

A citizen's complaint was received concerning fiscal affairs of Kerman Unified School District. Members of the Grand Jury visited the district twice and received a number of documents from them.

Findings

Incorrect use of State funds occurred a number of years ago. The district is required by the State of California to pay the funds back in yearly installments.

The district leases two facilities off campus. One building is utilized for vocational programs, and the other for secondary students who have been excluded from on campus schools.

Conclusion

The district is repaying funds which were incorrectly used. Leases for off campus buildings and the maintenance of the buildings is satisfactory.

Recommendation

The 2000/2001 Fresno County Grand Jury has no recommendations.

HEALTH AND SOCIAL SERVICES COMMITTEE

Ann Thaxter, Chair

Otto Berg

Pat Daher

Richard Key

Leo Shishmanian

Donald Wilson

HEALTH AND SOCIAL SERVICES COMMITTEE

INTRODUCTION

The 2000/2001 Fresno County Grand Jury Health and Social Services Committee addressed three areas of concern as a result of citizen inquiries and/or Grand Jury priorities. The subjects of Committee investigation were:

- A. The housing of foster children in motels.
- B. The physical condition of Juvenile Hall
- C. The Regional Medical Center construction project.

The committee decided not to proceed with a full report on the proposed Regional Medical Center construction project. Upon investigation, it was found that there have been some unanticipated delays and some increase in costs. The completion date for the Trauma/Critical Care building has not been firmly established. The 2000/2001 Fresno County Grand Jury recommends that future Grand Juries monitor the progress of this project.

During the process of gathering information for its two reports, the Health and Social Services committee interviewed citizens, officials, department heads, and employees of the County of Fresno. Visits were made to various relevant facilities. Following are the findings of the committee and its recommendations for consideration.

THE HOUSING OF FOSTER CHILDREN IN MOTELS

Introduction

The 2000/2001 Fresno County Grand Jury reviewed foster care housing of children in motels. During the investigation, Human Services System (HSS) administrators, group home administrators/managers, foster care workers, social workers and therapists were interviewed. Several group homes were visited.

Findings

Foster care was originally designed to provide temporary/emergency guardianship; however, many children enter the system as infants or youngsters and remain until they reach adulthood.

There are approximately 3,200 children in foster homes or group homes in Fresno County. County social/case workers and care providers are responsible for overseeing the children, their environment, health and welfare needs. Presently, each social/case worker is assigned approximately 50 children. Based on the Grand Jury's interviews, this is considered an excessive caseload.

Motels were utilized to place children rejected by existing providers. When the use of motels was publicized, children's advocates questioned its propriety and legality. As a result, the county worked with the state and was able to provide more space and beds to accommodate these children. This is a short-term solution. There is a dire need to find placement for children who represent the greatest challenge to the existing system. Experts predict that in the future, Fresno County will experience an explosion in population and will need additional foster care facilities.

On February 6, 2001, an Ad Hoc committee authorized by the Board of Supervisors was formed to examine and seek solutions to some of the problems that exist in the foster care system.

Conclusion

The HSS is inundated by children who, under court order, have been taken from their parents or guardians. Foster parents and group home providers have the option to reject children who exhibit behavioral problems and are difficult to handle; therefore, the most deeply troubled youths are shuttled between homes. These are the children who were housed in Fresno motels.

Recommendations

The 2000/2001 Fresno County Grand Jury recommends that:

113. Fresno County acquire a shelter for rejected foster children who need special care.
114. The facility be operated and supervised by qualified county personnel, social/case workers and auxiliary staff.
115. Fresno County continue to investigate new possibilities for foster care.

JUVENILE HALL

Introduction

The 2000/2001 Fresno County Grand Jury reviewed prior Grand Jury reports dating back to 1992 and studied the present status of Juvenile Hall from the physical condition of the plant to its ability to provide the care and control required today.

Findings

- A. The existing Juvenile Hall is not adequate to provide for the needs of Fresno County.
- B. Each year this problem worsens and is now at crisis stage.
- C. Leasing beds in a Madera facility may temporarily alleviate the problems in Fresno. This costs Fresno County \$125 per bed per day.
- D. The majority of the Fresno County Board of Supervisors indicates its awareness of these problems and they are committed to provide new facilities.

Conclusion

The problem at Juvenile Hall is very serious and must be addressed.

Recommendations

The 2000/2001 Fresno County Grand Jury recommends that:

- 116. The Board of Supervisors arrange funding and complete the proposed Juvenile Justice Campus project as soon as possible.
- 117. Future Grand Juries monitor the progress of this project.

LAW ENFORCEMENT COMMITTEE

James Torosian, Chair

James Cotton

Fred Goldring

Mikie Kapigian

Louis Olais

Juliana Pherson

LAW ENFORCEMENT COMMITTEE

INTRODUCTION

The Law Enforcement Committee of the 2000/2001 Fresno County Grand Jury responded to a complaint from a citizen regarding the treatment of the animals kept in the section of the SPCA reserved for animals which are with their owners at the time of arrest.

The jury responded to the recommendation of 1999/2000 Grand Jury regarding a suggested follow up to last year's report on the Fresno Police Department's property rooms.

Interest in police department property rooms prompted a comparative study and of the individual police property rooms within the incorporated cities of Fresno County.

The majority of the committee's time was spent in concert with the County Committee as part of the Ad Hoc Committee formed to report on the City of Parlier.

PROPERTY AND EVIDENCE ROOMS IN INCORPORATED CITIES

Introduction

Members of the 2000/2001 Fresno County Grand Jury visited all police department property and evidence rooms in Fresno County. These included Clovis, Coalinga, Firebaugh, Fowler, Fresno (Elizabeth & Broadway), Huron, Kerman, Kingsburg, Parlier, Reedley, Sanger and Selma. The cities of Mendota, Orange Cove and San Joaquin are serviced by the Sheriff's Department; therefore, property and evidence are stored there. The Fresno Police Department Property and Evidence Room(s) are covered in a separate report.

The objective was to observe:

- A. The physical layout of the rooms
- B. How the rooms were organized and cared for
- C. How firearms, narcotics and money were stored and accounted for
- D. Security both inside and outside the room
- E. Who had access to the room and what procedures were followed for entering and exiting the room
- F. How records were kept and who had access to those records

Findings

Property and evidence rooms ranged from being professionally operated to rooms needing considerable improvement. Property rooms that were in excellent condition were Reedley and Coalinga. Property rooms that were in disarray were Selma and Huron. In the cases of both Selma and Huron, the rooms were so disorganized, that Grand Jury members were unable to walk freely through the rooms due to the large amount of property and evidence strewn on the floor. In Huron, due to the small size of the room, the Chief of Police was unable to open the door completely because of the amount of inventory stacked on the floor.

There is no consistency among many of the departments as to the method and practice of storing evidence. One department (Fresno) has developed a manual for handling property and evidence. Some departments use computers for their record keeping, others use paper and card files. Due in large part to a past Police Chief, the City of Parlier developed a barcode system, at a cost of less than \$5,000, to keep track of their inventory. In many departments, firearms, narcotics and money are kept in the same area without security other than an entrance door. Inventory in some rooms had accumulated for

years. Some departments continue the practice of selling seized firearms out of state, instead of destroying them.

Conclusion

There are specific procedures to be followed to maintain a well-run property and evidence room. This process has to be directed by the Chief of Police and supported by the City Manager and City Council. Departments willing to make the effort can have a well-organized and professionally managed property and evidence room. All the Cities have received Police Technology Grants with the minimum amount being \$100,000. There is no need to spend tens of thousands of dollars to develop a barcode system. Lack of funding should not be an excuse.

Recommendations

The 2000/2001 Fresno County Grand Jury recommends that:

118. Property and evidence rooms have alarm systems.
119. Locks and keys be changed on a regular basis and as needed.
120. Firearms be stored and locked in a separate area of the room.
121. Narcotics be stored and locked in a separate area of the room.
122. Cash booked as evidence be deposited in a separate bank account.
123. Evidence and property be inventoried on a continuing basis and unneeded items be regularly purged.
124. A sign in and sign out policy be implemented.
125. A barcode inventory system be installed in all Police Department Property and Evidence Rooms.
126. All firearms not returned to their owners be destroyed upon their release by the Court.
127. All police departments in the County work together to develop a manual that contains basic guidelines and operating procedures.
128. Personnel working in the Property and Evidence Rooms be provided formal training.
129. Future Grand Juries visit and review policies, procedures and operations of Police Department Property and Evidence Rooms in the County of Fresno.

FRESNO POLICE DEPARTMENT PROPERTY ROOM

Introduction

The 1999/2000 Fresno County Grand Jury made eight recommendations dealing with the following areas of concern regarding Fresno Police Department Property Room (FPD).

- A. Evaluation of the amount of space needed to accommodate an orderly property room for the next 20 years.
- B. Improve the tracking technology so that all items can be assigned a stock keeping unit (SKU) and tracked electronically. The budgeting of adequate funds to accomplish this task was included in the recommendation.
- C. Update procedural manual for property room staff and institute periodic external audits to determine the efficacy of the system.
- D. Purge unneeded property room items and improve time sensitive follow up procedures.
- E. Increase staff to handle demand and improve training.
- F. Tighten security of the property room and institute a series of changes regarding property room staff.
- G. Change property room hours 24/7. This was the only area where the FPD rejected the Grand Jury recommendation because of lack of funds.
- H. An omnibus recommendation for continued Grand Jury review.

Findings

- A. The number of items in the FPD property room has been decreased by 45,000 net items within the last 12 months and the number of external storage units has been decreased from 26 to 13.
- B. Funds have been allocated to purchase proven electronic stock keeping technology. The vendor has been selected and funds have been allocated.
- C. A manual has been completed. It provides a general guideline for procedures, but does not deal in instruction for specific problems.
- D. The current property room manager has accepted the challenge of following up on evidence to be purged. This effort has shown a marked improvement in the reduction of time evidence is held.

- E. The permanent staff level of nine has been increased to include three additional positions. As of the last Grand Jury interviews of March 7, 2001, none of the positions had been filled. Slots were held open for personnel on administrative leave, sick leave, etc.
- F. Security of the property room has been enhanced as the result of a general adherence to a sign in/sign out log, lock changes and change of vault combinations.
- G. The department has declared it does not have the budget to accommodate a 24/7 property room.
- H. The FPD has continued to cooperate with the Grand Jury in this follow up investigation.
- I. To date, there has not been any installation of electronic surveillance in the critical areas of the property room.
- J. In the past, a large amount of cash (in excess of \$200,000) was missing from the envelopes stored in the property room.

Conclusion

Based on current testimony and Grand Jury inspection of FPD property rooms, there has been discernible change. The senior staff has made a serious effort to address the problems disclosed in the 1999/2000 Grand Jury report.

Once a computerized barcode system is installed, all SKU information can be readily retrieved. Questions concerning every unit of property can be answered by sorting the computer data field. An accurate accountable inventory will only be available for the property room after SKU numbers have been assigned to every unit.

Recommendations

The 2000/2001 Fresno County Grand Jury recommends that:

- 130. When an electronic barcode system is installed, every effort be made to assign a separate SKU number to each item within the property room.
- 131. A knowledgeable software consultant be available, not only at the time of software installation, but on an ongoing basis to make certain that the system is regularly updated and modified.
- 132. FPD senior staff require periodic testing of the system by a staff officer who is not permanently assigned to the property room.

133. Since knowledge of how the property room works is unique and property room skills are hard to come by, every effort be made to retrain management personnel and exclude them from departmental regular rotation of job assignments and responsibility.
134. Off site staff training, seminars, visitation and other forms of formal training be encouraged. This training will supplement regular on the job training, which should be conducted on an ongoing basis.
135. Electronic surveillance technology be provided to enhance security in critical areas of the property room.
136. Drug testing and periodic review of all property room personnel be conducted on an ongoing basis.
137. When cash is involved, all envelopes containing cash be opened and observed by two members of the main property room staff. After cash balance is verified, cash should be signed in and deposited in a bank or placed in sealed envelopes bearing two counter signatures.

SPCA DOG JAIL

Introduction

The 2000/2001 Fresno County Grand Jury received a complaint stating that the writer's dog had been offered for adoption by the Fresno Society for Prevention of Cruelty to Animals (SPCA), without the owner being given the chance to claim the animal.

Findings

When a person is arrested and jailed (as was the complainant) and an animal is with that person, the animal is taken to the SPCA, where it is held in a special section of the shelter called "Dog Jail". Usually, relatives or friends of the person arrested will claim the animal within a few days. The Fresno Shelter does not offer these animals for adoption, nor does it euthanize them. In this case, the dog was held from mid September 1999 until late December 1999, when it died of natural causes.

The Fresno SPCA had a large file on this case and it was learned that a small claims action had been filed against the SPCA by the complainant. The court ruled in favor of the SPCA.

Conclusion

The Grand Jury found no wrongdoing by the SPCA.

Recommendation

The 2000/2001 Fresno County Grand Jury makes no recommendations.

TRANSPORTATION COMMITTEE

Robert Boehringer, Chair

Richard Allen

Richard Gaston

Rene Lastreto

Thomas Spencer

TRANSPORTATION COMMITTEE

INTRODUCTION

The 2000/2001 Fresno County Grand Jury studied future transportation needs within the county. It has been a number of years since the Grand Jury studied transportation policies. It was felt that the best approach to this study would be to look at overall transportation strategies within the county. In doing so, it was determined that all of the transportation elements are interconnected. Coordination among transportation authorities and jurisdictions within the county is essential for an efficient transportation system.

Specific areas of interest include air transportation planning, Fresno Area Express (FAX), streets/roads maintenance and traffic flow, rail unification (moving the Burlington Northern tracks to the Union Pacific tracks along the Highway 99 corridor) and the State planned High Speed Rail system as it relates to Fresno County.

The introduction of a light rail system was considered. It was determined that at this time the Fresno metropolitan area has not reached the critical mass required to make a light rail system a viable alternative.

FRESNO AIRPORTS

Introduction

Fresno Yosemite International Airport (FYI) and Chandler Field were inspected. Both airports have major renovation projects in the planning stages or underway. Both are seeking federal and state grants.

Findings

- A. Chandler Field is restricted by development of all sides. A plan exists to eliminate one of its parallel runways, increase hangar space and encourage more private and commercial use of the airport by general aviation.
- B. FYI has embarked on a major renovation program. Expanded terminal areas will include gates allowing boarding and unloading from aircraft directly through jet-ways. The baggage claim area will be enlarged. Other ongoing projects underway at this time include a new vehicle entrance to the airline terminal and upgrading of the parking facilities.
- C. FYI has just completed installation of a Category III B instrument landing system (ILS). When runway exit and taxiway lights are installed, the system will become a Category III C ILS allowing zero visibility landings.
- D. Because of its proximity to San Francisco, San Jose, Oakland, Los Angeles and Burbank airports, Fresno suffers from a phenomenon call “leakage”. This means that annually between 100,000 and 150,000 potential FYI passengers choose to drive to one of these airports rather than fly out of FYI. The reasons vary but include:
 - a) Perceived and actual high ticket prices out of Fresno
 - b) Winter fog conditions and FAA delays which cause missed connections
 - c) A dislike of the small turbo-prop commuter aircraft that service Fresno
 - d) A general lack of knowledge of how much direct air service is available from Fresno.
- E. FYI has an ambitious plan to commercialize land it owns on the underutilized north side of the airport. The plan proposes relocation of Airways Golf Course to the east of Clovis Avenue, which lies within the airport approach zone. This land can only be used for low-density activities such as golf. The relocation of Airways would allow for the expansion of airport-related commerce such as cargo handling, aircraft maintenance facilities and other aviation oriented businesses along the north side of the airport.

Conclusions

- A. Chandler Airport, located close to the proposed Roeding Business Park has the potential of becoming a successful general aviation airport. It would relieve future congestion at FYI by attracting general aviation users to its facility.
- B. FYI is in the midst of several projects that will make the airport more user friendly. These include airport access, parking, aircraft boarding and baggage handling improvements. FYI is on the way to becoming an airport which will attract more businesses and tourists to the valley.
- C. Fresno is currently serviced by airlines that offer non-stop service to Southern California and Bay area airports, Seattle, Salt Lake City, Las Vegas, Phoenix, Denver and Dallas. As airport improvements become common knowledge to the aviation community, Fresno can expect expanded air service. FYI, is properly marketed, could develop into the valley's hub airport.
- D. The leakage problem might lessen, as fares become more competitive. In addition, turbo-prop aircraft are slowly being replaced by regional jet aircraft.
- E. FYI is one of the few California airports with ample adjacent land to make expansion plans possible. Currently, Airways Golf Course occupies land along the north side of the airport. Economically, this is poor use of valuable land. Airport expansion will equate to job creation. The resulting aviation jobs will raise wage expectations well above those in the agricultural economy of the valley.
- F. The installation of a Category III C ILS will be a potent selling point in enticing both cargo and passenger carriers, which are now reluctant to service Fresno because of winter fog.

Recommendations

The 2000/2001 Fresno County Grand Jury recommends that:

- 138. Improvements at Chandler Field be continued with the aim of making it more attractive to general aviation; therefore, relieving future congestion at FYI.
- 139. The capital improvement programs at FYI be continued. Of special importance is the project to install runway exit and taxiway lighting so that the landing system becomes a Category III C ILS.
- 140. Airways Golf Course be relocated to the east side of the airport so the land can be developed for more profitable uses. To preclude objections to this

development, airport authorities must show, in concrete actions and good faith, their intent to construct the new golf course.

141. City, county and airport authorities market FYI in aviation circles and business publications. Fresno has a lot more to offer than just “the gateway to Yosemite Park”. FYI must be marketed as the Central Valley hub airport.

FRESNO AREA EXPRESS

Introduction

The 2000/2001 Fresno County Grand Jury studied public transportation infrastructure as it now exists within the City of Fresno. This included transportation plans extending to 2020, when the population of the metropolitan area is expected to exceed 900,000 people.

Findings

- A. Fresno Area Express (FAX) provides the major public transportation in the City of Fresno. The FAX budget for 2000 exceeded \$23,000,000.
- B. FAX operates 17 bus routes throughout the city and adjacent county areas. The system utilizes 126 buses of which 85 are required on any given day to complete the schedules. Buses vary in size from small gasoline powered to diesels 40 feet in length.
- C. FAX recently took possession of two new state of the art diesel-electric hybrid buses. This is part of a program to reduce particulate emissions to meet environmental standards. These buses were financed by federal grant money. FAX will operate the buses to determine if they meet or exceed environmental claims, maintenance costs, and operating cost projections. Savings are expected to be 40% over current diesel buses and 55% savings over compressed natural gas (CNG) buses. FAX plans to install catalytic converters on its fleet of older generation diesel buses to decrease their emissions.
- D. Weekday service is from 6 a.m. until 10 p.m. Weekend and holiday service is from 6 a.m. to 7 p.m.
- E. For the year 2001, ridership is projected to exceed 13 million passengers.
- F. Thirty per cent (30%) of bus operational costs are recovered through fares. Remaining operating and capital costs are funded by federal and state grants. Measure "C" funds originally allocated to FAX to cover these costs have not been available for three years.
- G. FAX currently operates bus routes on a 30-minute schedule. Transportation experts generally agree that to increase the number of passengers, scheduled intervals should be 15 minutes or less. FAX does not have the equipment, personnel or dollars required to operate a 15-minute schedule.
- H. FAX is upgrading its 1994 Master Transportation Plan in cooperation with the Council of Fresno County Governments (COG). The plan will be called the *2020 Transportation Plan*.

- I. The cost and lifecycle of buses are as follows: small buses cost \$75,000 and have a useful life of five years; large buses cost \$275,000 and have a useful life of twelve years. The buses fully depreciate after their useful life and are not candidates for the used bus market.

Conclusions

- A. The Grand Jury studied the issue of CNG versus new clean engine diesel fuel buses. It was determined that the best course of action would be to continue operating a diesel bus fleet.
- B. FAX managers are doing a good job of operating the bus system as it is presently configured and are actively planning for the future.
- C. FAX officials are knowledgeable of environmental concerns in the Central Valley.

Recommendations

The 2000/2001 Fresno County Grand Jury recommends that:

142. The 2020 Master Transportation Plan be a priority with FAX officials. The plan should be supported by elected officials.
143. Time intervals be reduced on bus routes.
144. FAX study the effect that the new hybrid buses have on its ability to recover operating expenses from fares.

CITY STREETS AND TRAFFIC LIGHTS

Introduction

The study of street repair/maintenance and traffic coordination systems is part of the 2000/2001 Fresno County Grand Jury broad assessment of future transportation needs in Fresno County. The installation of fiber optic cable systems for traffic control in Fresno and Clovis, a new team in the City of Fresno Street Maintenance Division, and many cost based enhancements in the planning stage made this an area of intense scrutiny by the Transportation Committee.

Findings

- A. Fresno County has a computerized planning tool for the scheduling of road maintenance. It takes into consideration the type of road surface, traffic count and type of vehicles that use the road.
- B. All maintenance departments claim that truck traffic is particularly destructive to roadbeds.
- C. The City of Fresno Road Maintenance Division currently performs road repair on a reactive basis. However, there are plans to install a proactive computer driven road maintenance system.
- D. There are fewer than forty full time personnel maintaining 1,582 miles of roadway within the city limits of Fresno. New technology has made this efficient use of personnel possible.
- E. A “cold patching” method of road repair, made possible by new equipment, allows the workers to remove damaged road surfaces, grind the material at the scene and reapply it to the road surface. This eliminates the need to haul the broken surface material from the site. It greatly reduces the need to purchase new material. It also saves time and money in material disposal. As a result, the cost per mile of street repair has been reduced from \$1,000,000 per mile to \$140,000 per mile.
- F. Pacific Gas and Electric (PG&E) recommended that the City replace existing 70-watt incandescent light bulbs in traffic signals with 11-watt light emitting diodes (LEDs). LEDs will reduce maintenance and energy costs substantially. The department is beginning this program.
- G. Fiber optic cables are being installed along Blackstone Avenue. Sixty signals and twenty cameras will be coordinated for more efficient traffic flow. There are plans to install this system along both Shaw and Herndon Avenues.

- H. A Traffic Operation Center (TOC) is under construction at this time. It will coordinate and operate the entire system. The City of Clovis is installing similar equipment, which will eventually be connected to the Fresno system.
- I. Three locations will soon have traffic cameras installed and operating designed specifically to detect “red light runners”. The first system is being installed at Blackstone and Herndon Avenues.
- J. Approximately three thousand arterial stop signs are replaced annually due to damage, theft and vandalism. This number and its associated costs should be reduced significantly, because the city is now purchasing graffiti resistant signs.
- K. The City of Fresno and the County of Fresno Street Maintenance Departments diverge in their approach to street maintenance. The City utilizes its cold patching equipment on most road repairs while the County utilizes private contractors.

Conclusions

- A. Substantial savings will be realized if the City of Fresno maintenance department continues its current planning program and equipment purchasing plans.
- B. Within a few months the TOC will be in operation. This will be a valuable asset for both Fresno and Clovis. It will allow for much smoother traffic flow. As the system is expanded, additional improvements in traffic flow will be realized.
- C. The traffic camera systems now being installed to discourage “red light runners” will be a significant safety enhancement for the citizens of Fresno. The systems will provide income for both Fresno City and Fresno County road safety programs.

Recommendations

The 2000/2001 Fresno County Grand Jury recommends that:

- 145. The City of Fresno continue to fund the replacement of 70-watt incandescent light bulbs in traffic signals with 11-watt LEDs.
- 146. The City of Fresno Road Maintenance Department become more proactive in its street maintenance and repair activities.
- 147. The City encourage citizens of Fresno to contact their Council Districts when streets, curbs or gutters need repair. The Councilmen are allotted infrastructure funds annually for just such purposes.
- 148. The City of Fresno Road Maintenance Department place maximum emphasis on completing the TOC and placing it in operation.

149. The City of Fresno analyze the results of the “red light runner” traffic camera systems and expand their use beyond the three planned intersections, if they do enhance safety.
150. The City and County Street Maintenance Departments hold joint meetings and determine in what areas cooperation might save both entities time and money.

RAIL UNIFICATION

Introduction

Approximately 40 trains a day pass through Fresno on the Burlington Santa Fe Railroad (BNSF) tracks. Vehicle trips across these tracks throughout the city are estimated at 400,000 per day.

The desire for relocating the BNSF trackage, alongside the Union Pacific tracks in the Highway 99 corridor, gains momentum with new legislation. A comprehensive study and an aggressive campaign by a citizen group are underway.

Findings

Fresno City leaders have discussed proposals for consolidation along the 99 corridor for 80 years. Lack of money to accomplish the move has left the Fresno community with increasing traffic congestion and safety problems along the BNSF tracks. Assembly Bill 1094 seeks to set up a special state funded grant program for rail consolidation. The program will be administered by the California Department of Transportation. If approved, the bill would allow counties to apply for grant funds.

Officials and citizen representatives will choose a consulting firm to update a 1993 study, which estimated the cost of the project at \$107,000,000. Funding for the project is currently estimated at \$400,000,000, which would impact other city and county projects.

The citizens group is looking at the possibility of acquiring funds by extending the transportation sales tax, Measure "C", due to end in 2006.

A new study by the City of Fresno, Fresno County, The Council of Governments and both railroads will take about six months. The study is scheduled to begin on May 1, 2001.

Conclusions

The railroads would like a wider corridor to double track their respective lines through Fresno. They require room enough for the tracks as well as separate maintenance road for each company. However, they are unwilling to pay for this project.

Modifications of intersections, such as the Shaw/Marks undercrossing, are too slow and leave much of Fresno with continuing congestion.

Recommendations

The 2000/2001 Fresno County Grand Jury recommends that:

151. Funding for the project be shared by the two railroads and Federal, State, and local governments.
152. Efforts to acquire grants, as well as direct funding from the various agencies be vigorously pursued.

