

This is an advanced copy of a Grand Jury report that will be publicly released on May 19, 2014. Penal Code section 933.05 (f) prohibits any officer, agency, department, or governing body of a public agency from disclosing any contents of the report prior to the public release of this report.



Partly Cloudy with a Chance of Information: Investigating the Transparency of Independent Special Districts' Websites

SUMMARY

The 23 independent special districts within the boundaries of San Mateo County (County) served approximately 739,000 residents and received nearly \$100,000,000¹ in property tax revenue last fiscal year. Each special district provides a specific set of services, such as police and fire protection, harbor management, mosquito abatement, sewer services and garbage collection, water services, recreation services, and open space preservation. A statewide poll² has shown that Californians value local control and local management of these services. That same poll, however, indicates that only a quarter of California's residents are familiar with the work of special districts. Do County residents know who manages these districts, how wisely their money is being spent, and with what efficiency the services are being provided? Each district operates a website, purportedly for the purpose of informing its constituents about the district's business. The 2013-2014 San Mateo County Civil Grand Jury (Grand Jury) investigated the utility and transparency of the County's 23 independent special districts' websites. The Grand Jury found that 15 districts had substantial inadequacies in revealing information regarding finances, staff and Board of Directors' or Commissioners' contacts, and Board or Commission minutes. All 23 districts omitted some transparency regarding financial data, meeting agendas and minutes, election procedures and terms of office, or lists of the compensation of Board or Commission members. For the benefit of their districts' constituents, the Grand Jury believes this information should be easily accessible on all special districts' websites.

BACKGROUND

Special districts are defined as "any agency of the state for the local performance of governmental or proprietary functions within limited boundaries."³ This means that a special district is a form of local government that provides a specific set of services to the public within a geographically limited area. California's first special district was formed in 1887. The Turlock Irrigation District was created to meet the water needs of San Joaquin Valley farmers. Since that time thousands of special districts have been formed and dissolved statewide.

¹ Property tax information provided by the County of San Mateo Controller's Office, March 2014. See Appendix G.

² The Association of California Water Agencies and the California Special Districts Association Poll commissioned the poll in 2004.

³ California Government Code §16271(d)

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Special districts are formed because counties and cities often cannot provide all of the services their constituents demand. They have most of the same basic powers as counties and cities. They can issue bonds, impose special taxes, levy benefit assessments and charge service fees.⁴

With over 2,000 special districts located in California, it is important to recognize the different types of special districts. Approximately two-thirds of the state's special districts are independent districts. They have their own separate governing boards elected by the districts' own voters. The San Mateo County Harbor District is an example of an independent special district. The County's voters elect the five Commissioners who oversee the District. Conversely, city councils or county boards of supervisors govern dependent districts. The Crystal Springs County Sanitation District is a dependent district, governed by the County Board of Supervisors. For the purposes of this report, the Grand Jury investigated only independent special districts.

METHODOLOGY

The Grand Jury adopted a website transparency checklist, created by the Special District Leadership Foundation (SDLF)⁵. The sister organization of the SDLF is the California Special Districts Association (CSDA). The CSDA has been in existence since 1969 to "promote good governance and improve core local services through professional development, advocacy, and other services for all types of independent special districts."⁶ The SDLF was created in 1999 and defines itself as "a 501(c)(3) organization formed to provide educational opportunities to special district officials and employees to enhance service to the public provided by special districts in California."⁷ The Grand Jury reviewed the website of each of the County's independent special districts and evaluated the information provided based on the criteria in the checklist. In addition to simply searching for the requested items in the list, the Grand Jury also evaluated the ease with which a user might find those items.

For true transparency all of the following items should be readily apparent:

- Names of Board or Commission members and their terms of office
- Names of general manager, fire or police chief, and key staff along with contact information for each
- Election procedure and deadlines
- Board meeting schedule (regular meeting agendas must be posted 72 hours in advance)
- District's mission statement
- Description of district's services/functions and service area

⁴ "What's So Special About Special Districts? A Citizen's Guide to Special Districts in California" is an informational paper prepared by the Senate Local Government Committee. It can be found at: www.clerk.calaverasgov.us

⁵ See appendix B for the checklist

⁶ The CSDA can be found at www.csda.net

⁷ The SDLF can be found at www.sdlf.org.

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- Authorizing statute/enabling act
- Current district budget
- Most recent financial audit
- Archive of Board meeting minutes for at least the last 6 months
- List of compensation of Board or Commission members and staff and/or link to State Controller's webpage with the data

In addition, the website of each district should include at least 4 of the following:

- Post Board or Commission member ethics training certificates
- Picture, biography and email address of Board or Commission members
- Last 3 years of audits
- Reimbursement and compensation policy
- Financial reserves policy
- Downloadable Public Records Act request form
- Audio or video recordings of Board meetings
- Map of district boundaries/service area
- Most recent Local Agency Formation Commission (LAFCo) Municipal Service Review (MSR) and Sphere of Influence (SOI) studies or link to LAFCo's site⁸

Interviews

After the websites were surveyed, the Grand Jury interviewed board members and key employees from districts whose websites were found to be substandard against the transparency benchmark. The Grand Jury also interviewed professional website developers to gain an understanding of the cost, difficulties and labor intensity of creating and managing a useful and interactive website.

DISCUSSION

The Grand Jury is convinced that taxpayers are best served when they understand who administers their special districts, how each special district is spending their property tax monies and/or the fees for services received for its enterprise activities⁹, and how constituents can make their voices heard.

The Grand Jury's inquiry reveals that only minor impediments exist for a district to provide true transparency. Typical costs for professional website developers range from \$1000 to \$9000 to

⁸ San Mateo County's LAFCo MSRs and SOIs can be found at <http://www.co.sanmateo.ca.us/portal/site/lafco>

⁹ Enterprise activities are those services for which a fee is paid by the customer i.e. sewer service, water, garbage, etc.

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create a website that can be updated by district in-house staff.¹⁰ A developer can both create the site and provide the training and tools necessary for in-house district employees to manage and update as needed.

The Grand Jury found no attempt to intentionally obfuscate beneficial information. Based on our interviews we found the following to be the common reasons for substandard transparency:

FINDINGS

- F1. Some districts are misinformed about the relative affordability of professionally created websites.
- F2. Special districts lack trained in-house staff to regularly update website information.
- F3. Privacy concerns of Boards of Directors or Commissioners result in a lack of readily accessible contact information.
- F4. Not all special districts recognize the benefits of transparency delivered through district websites.
- F5. No County independent special district has completed the District of Distinction¹¹ program offered by Special Districts Leadership Foundation (SDLF).
- F6. No independent special district in the County has yet earned the SDLF Transparency Certificate of Excellence.¹²
- F7. Only 2 of 23 independent special districts in the County have achieved SDLF Recognition in Special District Governance.¹³
- F8. No general manager or top management official of any County independent special district has received SDLF's Special District Administrator Certification.¹⁴

RECOMMENDATIONS

- R1. Each independent special district's website will conform to the accepted criteria listed in the SDLF's transparency checklist on or before May 15, 2015.
- R2. By December 31, 2014, independent special districts will consult with professional website developers if in-house staff is incapable of creating and/or managing their website as described above.
- R3. Each district will take the necessary steps to keep its website current.

¹⁰ Price ranges are based on input from professional website developers who work with non-profits and government agencies.

¹¹ See Appendix C and <http://sdlf.org/DODprog.htm>

¹² See Appendix D and <http://sdlf.org/transparency.htm>

¹³ See Appendix E and <http://sdlf.org/SDGprog.htm>

¹⁴ See Appendix F and <http://sdlf.org/SDAprog.htm>

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- R4. Districts will complete the District of Distinction program offered by SDLF by June 30, 2015.
- R5. Districts will seek to attain the SDLF Transparency Certificate of Excellence by June 30, 2015.
- R6. Districts currently lacking staff or board members who have achieved the SDLF's Recognition in Special District Governance will seek the training available under this program by June 30, 2015.
- R7. District administrators will seek the SDLF Special District Administrator Certification.

REQUEST FOR RESPONSES

Pursuant to Penal code section 933.05, the grand jury requests responses to the foregoing recommendations:

From the following governing bodies:

- Bayshore Sanitary District
- Broadmoor Police Protection District
- Coastside County Water District
- Coastside Fire District
- Colma Fire Protection District
- East Palo Alto Sanitary District
- Granada Sanitary District
- Highlands Recreation District
- Ladera Recreation District
- Los Trancos County Water District
- Menlo Park Fire Protection District
- Midpeninsula Regional Open Space District
- Mid-Peninsula Water District
- Montara Water and Sanitary District
- Mosquito and Vector Control District
- North Coast County Water District
- Peninsula Health Care District

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- Resource Conservation District
- San Mateo County Harbor District
- Sequoia Health Care District
- West Bay Sanitary District
- Westborough Water District
- Woodside Fire Protection District

The governing bodies indicated above should be aware that the comment or response of the governing body must be conducted subject to the notice, agenda and open meeting requirements of the Brown Act.

BIBLIOGRAPHY

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

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Jones, J. (2012, September 26), In U.S. Trust in State, Local Governments Up, *Gallup.Com*, <http://www.gallup.com/poll/157700/trust-state-local-governments.aspx>

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APPENDIX A



BY THE NUMBERS

Large or small, special districts are responsive to the neighborhoods and regions they serve. Policy addressing special districts should focus on the quality of service delivered to citizens rather than assumptions about quantity or size. The numbers speak volumes to the ability of special districts to meet evolving local needs.

Critical Role for Millions of Californians Daily

- Deliver water and treat wastewater for more than 30 million residents
- Protect 11 million residents from fire and other hazards
- Operate more than half of California's critical access hospitals
- Supply water to 90 percent of California's farmland
- Provide other core services throughout the state: flood defense, mosquito and vector control, trash collection, resource conservation, and airport, port and harbor, and cemetery management.

Created to Serve Local Communities through Voter Approval

- Voters have approved 2,162 independent special districts. It is important to note that while the State Controller's 2010-11 report lists 4,772 "special districts," over half are actually non-profit corporations or components of other governments, such as cities and counties.
- An emphasis on efficient service delivery is why special districts have taken the lead in self-initiating the majority of the more than 150 consolidations and mergers over the last two decades, when and where it was appropriate.
- According to a Senate Local Government Committee report (2010), special districts have consolidated by more than seven percent over the past 20 years.

A Thoughtful, Local Process

- District reorganizations are researched and approved by the Local Agency Formation Commission, whose state mandated goal is to assure that changes in governmental organization occur in a manner which encourages orderly growth, discourages sprawl, preserves agricultural and open space lands and safeguards the delivery of efficient and quality municipal services.
- A one-size-fits-all, top-down approach does not work with core local services. Deliberate study and planning at the local level is necessary to ensure viability and identify efficiencies. Ultimately, the power to reorganize local services should always rest with the local citizens who established and depend on them.

For more information please visit www.csda.net

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APPENDIX B



District Transparency Certificate of Excellence *checklist*

Showcase your district's commitment to transparency

BASIC REQUIREMENTS

- Current Ethics Training** for all Board Members (Government Code Section 53235)
 - Provide copies of training certificates along with date completed
- Compliance with the Ralph M. Brown Act** (Government Code Section 54950 et al.)
 - Provide copy of current policy related to Brown Act compliance
 - Provide copy of a current meeting agenda (including opportunity for public comment)
- Adoption of policy related to handling Public Records Act requests**
 - Provide copy of current policy
- Adoption of Reimbursement Policy**, if district provides any reimbursement of actual and necessary expenses (Government Code Section 53232.2 (b))
 - Provide copy of current policy
- Annual disclosure of board member or employee reimbursements for individual charges over \$100 for services or products.** This information is to be made available for public inspection. "Individual charge" includes, but is not limited to: one meal, lodging for one day, or transportation. (Government Code Section 53063.5)
 - Provide copy of the most recent document and how it is accessible
- Timely filing of State Controller's Special Districts Financial Transactions Report** - includes compensation disclosure. (Government Code Section 53891)
 - Provide copy of most recent filing
 - SDLF staff will verify that district is not listed on the State Controller's 'non-compliance list'*
- Conduct Annual Audits** (Government Code Section 26909 and 12410.6)
 - Provide copy of most recent audit and management letter and a description of how/where documents were made available to the public
- Other Policies** - have current policies addressing the following areas (provide copies of each):
 - Conflict of Interest
 - Code of Ethics/Values/Norms or Board Conduct
 - Financial Reserves Policy

WEBSITE REQUIREMENTS

- Maintain a district website with the following items** (provide website link; all are required)
 - Names of Board Members and their terms of office
 - Name of general manager and key staff along with contact information
 - Election procedure and deadlines
 - Board meeting schedule (Regular meeting agendas must be posted 72 hours in advance pursuant to Government Code Section 54954.2 (a) (1) and Government Code Section 54956 (a))
 - District's mission statement
 - Description of district's services/functions and service area
 - Authorizing statute/enabling act (Principle Act or Special Act)
 - Current district budget
 - Most recent financial audit
 - Archive of Board meeting minutes for at least the last 6 months
 - List of compensation of Board Members and staff and/or link to State Controller's webpage with the data
- Website also must include at least 4 of the following items:**
 - Post Board Member ethics training certificates
 - Picture, biography and email address of board members
 - Last 3 years of audits
 - Reimbursement and Compensation Policy
 - Financial Reserves Policy
 - Online/downloadable Public Records Act request form
 - Audio or video recordings of board meetings
 - Map of district boundaries/service area
 - Link to California Special Districts Association mapping program
 - Most recent Municipal Service Review (MSR) and Sphere of Influence (SOI) studies (full document or link to document on another site)

Continued on reverse

Questions about SDLF or the transparency program? Call us for more information at 916.231.2939

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APPENDIX C



SHOWCASE YOUR COMMITMENT TO EXCELLENCE

Districts Of Distinction Application

The Districts of Distinction program is an accreditation program that enables districts to demonstrate to their communities, the media and legislators their commitment to operate in a sound, responsible manner. Districts apply for designation as a District of Distinction by submitting financial audits, policies and procedures and proof of training received by directors and executive staff.

Requirements:

FINANCIAL AUDITS

Districts must demonstrate they undergo regular financial audits, have no major deficiencies and apply any recommendations to future years.

What to submit:

- Copies of the three most recent district audits, including financial statements and management letters. Each audit, including findings and recommendations, will be reviewed by a member of the Certification & Audit Review Advisory Committee. Committee members are volunteers from the special district community, including district controllers, directors of finance and SDA certified general managers.

POLICIES AND PROCEDURES

Districts must demonstrate that their operations conform to all statutes and regulations under state law as reflected in a policies and procedures manual. Policies and procedures should focus on governance, ethics, board conduct, district finances, reserves, reimbursement/compensation, etc.

What to submit:

- Copy of your district's current approved policies and procedures manual
- Copy of your district's Board minute action adopting and/or having reviewed the policies and procedures manual within the past year.

Training

Districts must demonstrate that all directors/trustees, general manager and executive staff (as designated by the district) have received training in governance as well as compliance with AB 1234 Ethics Training and AB 1825 Harassment Prevention Training.

What to submit:

Documentation showing class attendance, such as certificate of completion for each board member, general manager and other executive staff members (as identified by the board) in the following areas:

- Governance Training:** Six hours of basic governance training within the past five years. Governance Foundations, offered by CSDA's Special District Leadership Academy, satisfies this requirement. Other courses may qualify as well, however will need to be submitted for review by SDLF.
- Ethics Training:** Documentation verifying completion of AB 1234 ethics compliance training within the last two years.
- Harassment Prevention Training:** Documentation verifying completion of AB 1825 harassment prevention training within the last two years.

Other

Districts must also include the following items with the accreditation/re-accreditation application:

What to submit:

- Board of Directors roster
- List of executive staff, including titles
- Proof of current compliance with CA State Controller reporting requirements including district financial and compensation data
- Completed application for accreditation/re-accreditation
- Accreditation/re-accreditation application fee
- Completed SDLF District Transparency Certificate of Excellence

Is your district a District of Distinction?

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DISTRICTS OF DISTINCTION APPLICATION



Frequently Asked Questions (FAQs)

Who should apply to be a District of Distinction?

Any California special district that wants to demonstrate publicly the effectiveness of its operations. Applying for this designation shows that your district understands and respects the responsibilities inherent to providing essential public services in a fiscally responsible manner.

What does a district receive for completing the program?

Districts of Distinction earn the right to use the program's seal on district materials and a plaque honoring their accomplishment. SDFL will also write and issue press releases and notify legislators on a district's behalf.

How does a district apply?

Districts interested in earning the Districts of Distinction designation must complete the application and submit it along with the required documentation. Applications must also be accompanied by an application fee.

If my district is a member of the Special District Risk Management Authority (SDRMA), will getting a District of Distinction accreditation save me money on my premiums?

Yes. SDRMA offers Credit Incentive Points (CIPs) if your district earns the District of Distinction accreditation which can provide significant premium discounts. For more information, contact SDRMA at 800.537.7790 or visit www.sdrma.org.

RE-ACCREDITATION

For how long is the designation valid?

The Districts of Distinction designation is valid for two years and a district may be re-accredited by submitting the application and all current required documents for review along with the re-accreditation fee.

Fees

The fees are on a sliding scale, based on a district's ability to pay:



Is your district a District of Distinction?

INITIAL ACCREDITATION		RE-ACCREDITATION	
Annual operating budget	Fee	Annual operating budget	Fee
\$0-299,999	\$200	\$0-299,999	\$125
\$300,000-749,999	\$400	\$300,000-749,999	\$150
\$750,000-999,999	\$600	\$750,000-999,999	\$175
\$1,000,000-2,999,999	\$800	\$1,000,000-2,999,999	\$200
\$3,000,000 or more	\$1,000	\$3,000,000 or more	\$250

Submit Application

Submit this application along with all required documentation and payment to:
SPECIAL DISTRICT LEADERSHIP FOUNDATION
 1112 J Street, Suite 200
 Sacramento, CA 95814
 Phone: 916-231-2939 • Fax: 916-442-7889 • www.sdlf.org

DISTRICT:			
MAILING ADDRESS:			
CITY:		STATE:	ZIP:
CONTACT NAME:			
CONTACT TITLE:			
PHONE:		FAX:	
EMAIL:		WEBSITE:	
ASSEMBLY MEMBER(S)*			
SENATOR*			
LOCAL NEWSPAPER(S):			
I CERTIFY THAT THE INFORMATION SUBMITTED IS ACCURATE AND COMPLETE TO THE BEST OF MY KNOWLEDGE		SIGNATURE:	
PAYMENT			
TOTAL \$	<input type="checkbox"/> CHECK <input type="checkbox"/> VISA <input type="checkbox"/> MASTERCARD <input type="checkbox"/> DISCOVER <input type="checkbox"/> AMERICAN EXPRESS		
ACCT NAME:	ACCT NUMBER:		
EXPIRATION DATE:	AUTHORIZED SIGNATURE:		

* Include all state legislators representing the district's area of operation.

Is your district a District of Distinction?

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APPENDIX D



SHOWCASE YOUR DISTRICT'S COMMITMENT TO TRANSPARENCY
Transparency and Accountability

Purpose

To promote transparency in the operations and governance of special districts to the public/constituents and provide special districts with an opportunity to showcase their efforts in transparency.

Duration

2 Years

District Receives

- Certificate for display (covering 2 years)
- Press release template
- Recognition on the SDLF website
- Letter to legislators within the district's boundaries announcing the achievement
- Recognition in CA Special District magazine and the CSDA eNews

Application Cost

FREE

Basic Requirements

CURRENT ETHICS TRAINING FOR ALL BOARD MEMBERS (Government Code Section 13335)

- Provide copies of training certificates along with date completed

COMPLIANCE WITH THE RALPH M. BROWN ACT (Government Code Section 54950 et. al.)

- Provide copy of current policy related to Brown Act compliance
- Provide copy of a current meeting agenda (including opportunity for public comment)

ADOPTION OF POLICY RELATED TO HANDLING PUBLIC RECORDS ACT REQUESTS

- Provide copy of current policy

ADOPTION OF REIMBURSEMENT POLICY, IF DISTRICT PROVIDES ANY REIMBURSEMENT OF ACTUAL AND NECESSARY EXPENSES (Government Code Section 53237.2 (b))

- Provide copy of current policy

ANNUAL DISCLOSURE OF BOARD MEMBER OR EMPLOYEE REIMBURSEMENTS FOR INDIVIDUAL CHARGES OVER \$100 FOR SERVICES OR PRODUCTS. THIS INFORMATION IS TO BE MADE AVAILABLE FOR PUBLIC INSPECTION "INDIVIDUAL CHARGE" INCLUDES, BUT IS NOT LIMITED TO: ONE MEAL, LODGING FOR ONE DAY, OR TRANSPORTATION. (Government Code Section 12061.5)

- Provide copy of the most recent document and how it is accessible.

TIMELY FILING OF STATE CONTROLLER'S SPECIAL DISTRICTS FINANCIAL TRANSACTIONS REPORT - INCLUDES COMPENSATION DISCLOSURE. (Government Code Section 53891)

- Provide copy of most recent filing.
- SDLF staff will verify that district is not listed on the State Controller's "non-compliance list"

CONDUCT ANNUAL AUDITS (Government Code Section 26909 and 12410.6)

- Provide copy of most recent audit and management letter and a description of how/where documents were made available to the public

OTHER POLICIES HAVE CURRENT POLICIES ADDRESSING THE FOLLOWING AREAS

Provide copies of each:

- Conflict of Interest
- Code of Ethics/Values/Norms or Board Conduct
- Financial Reserves Policy

Showcase your District's Commitment to Transparency

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MSRBA - DISTRICTS ONLY - MEMBERS OF THE EXECUTIVE APPEAL BOARD



Website Requirements

MAINTAIN A DISTRICT WEBSITE WITH THE FOLLOWING ITEMS REQUIRED. (provide website link)

Required items available to the public:

- Names of Board Members and their terms of office
- Name of general manager and key staff along with contact information
- Election procedures and deadlines
- Board meeting schedule (Regular meeting agendas must be posted 72 hours in advance pursuant to Government Code Section 54950.2 (a)(1) and Government Code Section 54956 (a))
- District's mission statement
- Description of district's services/functions and service area
- Authorizing statute/ Enabling Act (Principle Act or Special Act)
- Current District budget
- Most recent financial audit
- Archive of Board meeting minutes for at least the last 6 months
- List of compensation of Board Members and Staff and/or link to State Controller's webpage with the data

ADDITIONAL ITEMS - website also must include at least 4 of the following items:

- Test Board Member ethics training certificates
- Picture, biography and e-mail address of board members
- Last (3) years of audits
- Reimbursement and Compensation Policy
- Financial Reserve Policy
- Online/downloadable public records act request form
- Audio or video recordings of board meetings
- Map of district boundaries/service area
- Link to California Special Districts Association mapping program
- Most recent Municipal Service Review (MSR) and Sphere of Influence (SOI) studies (full document or link to document on another site)

Outreach/Best Practices Requirements

(Must complete at least 2 of the following items)

REGULAR DISTRICT NEWSLETTER OR COMMUNICATION (PRINTED) AND/OR ELECTRONIC, THAT REACHES THE PUBLIC, CONSTITUENTS AND ELECTED OFFICIALS UP-TO-DATE ON DISTRICT ACTIVITIES (at least twice annually)

- Provide copy of most recent communication and short description on the frequency of the communication, how it's distributed and to whom.

COMMUNITY NOTIFICATION THROUGH PRESS RELEASE TO LOCAL MEDIA OUTLET ANNOUNCING UPCOMING FILING DEADLINE FOR ELECTION AND PROCESS FOR SEEKING A POSITION ON THE DISTRICT BOARD, PRIOR TO THAT ELECTION (OR PRIOR TO THE MOST RECENT DEADLINE FOR CONSIDERATION OF NEW APPOINTMENTS FOR THOSE DISTRICTS WITH BOARD MEMBERS APPOINTED TO FIXED TERMS).

- Provide copy of the press release (and the printed article if available)

COMPLETE SALARY COMPARISON/BENCHMARKING FOR DISTRICT STAFF POSITIONS USING A REPUTABLE SALARY SURVEY (AT LEAST EVERY 5 YEARS)

- Provide brief description of the survey and process used as well as the general results

SPECIAL COMMUNITY ENGAGEMENT PROJECT

Designed and completed a special project promoting community engagement with the district (potential projects may be broad in nature or focus on specific issues such as rate setting, recycled water, identifying community needs, etc.)

- Submit an overview of the community engagement project reviewing the process undertaken and results achieved

HOLD ANNUAL INFORMATIONAL PUBLIC BUDGET HEARING THAT ENGAGE THE PUBLIC (OUTREACH, WORKSHOPS, ETC.) PRIOR TO ADOPTING THE BUDGET

- Provide copy of most recent public budget hearing notice and agenda

MSRBA 2013-2014 Districts' Commitment to Transparency

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ANNUAL TRANSPARENCY VERIFICATION OF SPECIAL DISTRICT APPLICATION



COMMUNITY TRANSPARENCY REVIEW

The district would be required to choose a completed review checklist from at least 2 of the following individuals (the district may choose to conduct the review with these individuals simultaneously or separately):

- Chair of the County Civil Grand Jury
- Editor of a reputable local print newspaper (only one may count toward requirement)
- LATCO Executive Officer
- County Auditor-Controller
- Local Legislator (only one may count toward requirement)
- Executive Director or President of local Chamber of Commerce
- General Manager of a peer agency (special district, city or county)
- Provide proof of completion signed by individual completing Community Transparency Review



SHOWCASE YOUR DISTRICT'S COMMITMENT TO TRANSPARENCY

Submit Application

Submit this application along with all required documentation to:

SPECIAL DISTRICT LEADERSHIP FOUNDATION
 1117 I Street, Suite 203
 Sacramento, CA 95814
 Phone: 916-231-2939 • Fax: 916-442-7889

DISTRICT		
MAILING ADDRESS		
CITY	STATE	ZIP
CONTACT NAME		
CONTACT TITLE		
PHONE	FAX	
EMAIL	WEBSITE	
ASSOCIATE MEMBER(S)*		
SIGNATURE*		
LOCAL NEWSPAPER(S)		
I CERTIFY THAT THE INFORMATION SUBMITTED IS ACCURATE AND COMPLETE TO THE BEST OF MY KNOWLEDGE.		SIGNATURE

Verify your District's Commitment to Transparency

This is an advanced copy of a Grand Jury report that will be publicly released on May 19, 2014. Penal Code section 933.05 (f) prohibits any officer, agency, department, or governing body of a public agency from disclosing any contents of the report prior to the public release of this report.

APPENDIX E



FOR DIRECTORS AND TRUSTEES

Recognition in Special District Governance

This recognition is an opportunity for staff, board members and trustees to demonstrate to their constituents and colleagues the extent of their commitment and dedication to providing the best possible service to the communities they serve.

Requirements

- CNDA SPECIAL DISTRICT LEADERSHIP ACADEMY
Requires completion of all four modules of the California Special Districts Association (CSDA) Special District Leadership Academy within the last two years:
Module 1: Governance Foundations
Module 2: Setting Direction & Community Leadership
Module 3: Board's Role in Finance & Fiscal Accountability
Module 4: Board's Role in Human Resources
- ELECHIVE COURSES
Requires at least 10 hours of continuing education from the California Special Districts Association (CSDA) or another statewide association specializing in local government.

Frequently Asked Questions (FAQs)

What is the Recognition program?

Recognition in Special District Governance was designed to acknowledge special district board members/trustees that have taken the time and made the effort to get core governance training and continuing education. The program is comprised of two distinct parts: the CSDA Special District Leadership Academy, and at least 10 hours of continuing education from the California Special Districts Association (CSDA) or another statewide association specializing in local government.

Who should apply?

This is an individual recognition. Special district board members, trustees and staff are encouraged to apply.

What do you receive?

Upon completion and verification of the application and submission of the one-time fee, you will be recognized by receiving a custom certificate in a beautiful padded folder, along with the recognition at an upcoming event should you be able to attend.

Is there a way for my district to be recognized also?

In addition to recognitions given to individual directors/trustees and staff, there is also a District Recognition. Districts that have a majority of their governing board holding recognitions will receive a Silver Recognition, and districts with their entire board holding recognitions will receive a Gold Recognition. District Recognitions will be presented at an upcoming event should representatives be able to attend.

How long is the recognition good for?

This is recognition for a lifetime. All you need to do is keep SDLF current anytime you change address, jobs, etc.

Fees

Individual Recognition: \$65
District Recognition: free of charge

Participation Commitment to Good Governance

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REGISTRATION IN SPECIAL DISTRICT GOVERNANCE APPLICATION



Submit Application

Submit this application along with all required documentation and payment of \$65 for individual recognition

(additional District Recognition is free of charge) to:

SPECIAL DISTRICT LEADERSHIP FOUNDATION

1112 J Street, Suite 200

Sacramento, CA 95814

Phone: 916-231-2939 • Fax: 916-442-7889 • www.sdlf.org

NAME		
DISTRICT		
CONTACT NAME		
CONTACT TITLE		
MAILING ADDRESS:		
CITY:	STATE:	ZIP:
PHONE	FAX	
EMAIL	WEBSITE	

SPECIAL DISTRICT LEADERSHIP MODULE	
MODULE	DATE TAKEN
MODULE 1: GOVERNANCE FOUNDATIONS	
MODULE 2: SETTING DIRECTION/COMMUNITY LEADERSHIP	
MODULE 3: BOARD'S ROLE IN FINANCE & FISCAL ACCOUNTABILITY	
MODULE 4: BOARD'S ROLE IN HUMAN RESOURCES	

EDUCATION: HOURS REQUIRED WITHIN THE LAST TWO YEARS		
COURSE TITLE & SPONSORING ORGANIZATION	DATE TAKEN	HOURS
1.		
2.		
3.		
4.		
5.		
6.		
7.		
8.		
9.		
10.		

*Please attach any verifying documentation. Use additional pages if necessary.

PAYMENT	
TOTAL: \$	<input type="checkbox"/> CHECK <input type="checkbox"/> VISA <input type="checkbox"/> MASTERCARD <input type="checkbox"/> DISCOVER <input type="checkbox"/> AMERICAN EXPRESS
ACCT. NAME:	ACCT. NUMBER:
EXPIRATION DATE:	AUTHORIZED SIGNATURE:

Prove Your Commitment to Good Governance

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APPENDIX F



FOR GENERAL MANAGERS AND TOP MANAGEMENT

Special District Administrator Certification

The SDA Certification is a voluntary designation sought by individuals who strive to be the best in their field. Administrators with various academic and professional backgrounds can be candidates for the program.

Qualifying For The Exam

The certification application in special district administration is built around specific categories. These factors include professional special district and related experience, related continuing education, community service, and higher education background.

CURRENT EXPERIENCE

In order to earn the SDA Certification, an individual must have:

- Worked three out of the last five years in a position of management in a California special district. Related work experience with other public agencies or private firms may be considered by application to the Certification and Audit Review Advisory Committee. A current resume is required with your application.

ACCEPTED COURSES

All courses offered by the California Special Districts Association (CSDA) or any statewide association specializing in local government are valid for the certification program and can count as continuing education. Applicants submitting course credits from other organizations, academic institutions or private firms, must include:

- General course descriptions for consideration by the Certification and Audit Review Advisory Committee. A written notification will be provided if course work is not accepted. The applicant then has an opportunity to appeal.
- All continuing education submitted for review must be from within the last five years.

Examination

A total of 400 points is required to qualify for the opportunity to take the examination based on the identified categories. The points listed to the right of each section in the application indicate the minimum/maximum points a candidate must have in each area. You can submit excess points for review, however must have at least 400 qualified points to move forward.

Upon determination of eligibility and qualification, an individual will be scheduled for the examination. Qualified applicants will be notified regarding the actual examination schedule. Applicants will also be notified of examination results within 30 days of taking the exam.

The exam consists of 100 total questions across many areas related to special district management, operations and governance and must be completed within two hours. A score of 70 or more is required to pass the exam. If unsuccessful on the first attempt, the exam may be re-taken once at a different time with no additional charge or application.

Fees

All fees are non-refundable.

ONE-TIME APPLICATION FEE:

There is a \$300 application fee for the Certification in Special District Administration Program. This fee includes the SDA study guide and review and evaluation of points earned prior to taking the examination. In the event that an applicant does not initially meet the minimum point requirement for taking the examination, the fee submitted remains valid for three years to allow ample time for accumulation of points.

EXAM FEE:

The fee for the certification examination is \$150. The exam may be re-taken once at a different time with no additional charge or application.

RE-CERTIFICATION FEE:

The fee for recertification is \$50 and must be submitted in accordance with the requirements for maintaining SDA certification as listed below.

Maintaining SDA Certification

The SDA Certification is valid for four years from the date of successfully passing the exam. It can be kept current by completion of 75 continuing education points and a nominal recertification fee submitted to SDLF within each additional four-year period.

Become a Certified Leader in Special Districts

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Special District Administrator (SDA) Certification Application

Please provide details, dates and appropriate documentation. Use additional pages if necessary.

PROFESSIONAL/CIVIL SERVICE RELATED EXPERIENCE				(20) POINTS
1. DISTRICT/GENERAL MANAGER EXPERIENCE				
FROM:	TO:	YEARS IN POSITION:	(X) 35 =	
2. ASSISTANT GENERAL MANAGER/SR. MANAGEMENT EXPERIENCE				
FROM:	TO:	YEARS IN POSITION:	(X) 25 =	
3. OTHER RELATED MANAGEMENT EXPERIENCE				
FROM:	TO:	YEARS IN POSITION:	(X) 15 =	
HIGHER EDUCATION BACKGROUND (ONLY HIGHEST DEGREE EARNED MAY BE USED TOWARD YOUR TOTAL SCORE)				(30) POINTS
DEGREE	INSTITUTION	LOCATION	DATE	
ASSOCIATE (50 POINTS)				
BACHELOR (75 POINTS)				
MASTER (100 POINTS)				
DOCTORATE (125 POINTS)				
COMMUNITY SERVICE (NON-SPECIAL DISTRICT RELATED)				(30) POINTS
Service to the community in the spirit of maintaining a connection to special districts and local government. This section was designed to account for volunteer activities outside the scope of your everyday job responsibilities, while still relating specifically to your local community. Please describe your contribution, level of involvement from the experience and the relevancy to special districts, local government and/or the community.				
ACTIVITY	DATE	Briefly describe your contribution and the relevancy to districts, local government and/or community.		
1.				
2.				
3.				
4.				
5.				

*attach additional pages as necessary

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SDA CERTIFICATION APPLICATION



DATE, CONTINUING EDUCATION POINTS, FULL DAY POINTS, HALF DAY POINT, PERIOD(S)	EDUCATION POINTS
<p>All courses offered by the California Special Districts Association, any statewide association specializing in local government and/or an organization with a focus in the areas outlined in the SDA Study Guide (public policy, management, administration, governance, etc.) are valid for the certificate program. Example: Attendance at CSDA's Annual Conference would be worth 20 hours. If you are submitting points outside of these guidelines, please provide an extensive overview of the program with the application. Each program will be evaluated by the Certification and Audit Review Advisory Committee.</p> <p>REQUIREMENTS:</p> <ul style="list-style-type: none"> * At least half (50 percent) of continuing education points submitted are in trainings specifically focused on performance in special district operations and governance. * All continuing education needs to have been completed within five years of application submission. * Continuing education must include current AB 1234 Ethics Training (2 hours) and AB 1825 Harassment Prevention Training (2 hours). This applies to recertification also. 	
SPONSOR & TITLE OF PROGRAM	DATE(S)
1.	
2.	
3.	
4.	
5.	
6.	
7.	
8.	
TOTAL	

Submit Application

Submit this application along with all required documentation and payment to:

SPECIAL DISTRICT LEADERSHIP FOUNDATION

1112 I Street, Suite 200

Sacramento, CA 95814

Phone: 916-231-2939 • Fax: 916-442-7889 • www.sdlf.org

NAME:		
DISTRICT:		
MAILING ADDRESS:		
CITY:	STATE:	ZIP:
PHONE:	FAX:	
EMAIL:	WEBSITE:	
<p>In making this application, I fully understand that it is an application for enrollment purposes only. In order to complete registration I will submit to an examination and supply further information as required by the Certification and Audit Review Advisory Committee. I further understand and, by my signature, acknowledge that any false statement or misrepresentation I may make in the course of these proceedings and application may result in the revocation of this application.</p>		
APPLICANT'S SIGNATURE:		DATE:
PAYMENT		
TOTAL \$	<input type="checkbox"/> CHECK <input type="checkbox"/> VISA <input type="checkbox"/> MASTERCARD <input type="checkbox"/> DISCOVER <input type="checkbox"/> AMERICAN EXPRESS	
ACCT. NAME	ACCT. NUMBER	
EXPIRATION DATE:	AUTHORIZED SIGNATURE:	

The Special District Administrator Certification does not discriminate on any basis, including race, sex, age, religion, national origin, sexual orientation or disability.

Become a Certified Leader in Special Districts

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APPENDIX G

San Mateo County
Independent Special Districts
Property Tax Revenue
FY 2013-14

Special Districts	RDA - Low & Moderate									
	Secured (a)	Unsecured	Supplemental (c)	Exemption	Excess EIMF	RDA - Residential (d)	RDA - Pass Through Payments (e)	Income Housing Funds (f)	RDA - Other Funds (g)	Total
Baysshore Sanitary District	\$ 80,909.08	\$ 8,574.22	\$ 4,365.44	\$ 1,547.11	\$ 31,311.00	\$ 130,252.48	\$ 28,627.81	\$ 37,503.85		\$ 304,559.00
Broadmoor Police Protection District	1,024,068.55	57,742.16	17,507.80	6,374.88	250,492.00					1,371,941.69
Coastside County Water District	673,081.51	36,531.71	11,895.55	4,170.28	311,572.00					927,261.55
Coastside Fire District	1,933,536.15	407,506.41	112,336.26	46,140.00	763,044.00					2,862,522.82
Colma Fire Protection District	645,935.81	34,655.14	11,214.34	3,948.57						695,772.26
East Palo Alto Sanitary District	295,543.36	13,753.27	10,578.91	3,863.24	142,767.00	\$4,463.35	\$43,642.90	\$19,801.54	\$5,993.82	487,826.41
Granada Sanitary District	425,790.95	27,426.32	8,863.71	3,123.22	232,701.00					737,914.20
Highlands Recreational District	268,297.42	17,587.87	5,662.20	2,001.56	71,849.00					365,328.25
Lakers Recreation District	123,877.77	6,815.11	2,231.24	787.82	35,657.00					171,829.61
Los Trancos County Water District	223,627.04	12,147.15	3,911.79	1,384.20	56,481.00					297,566.18
Menlo Park Fire Protection District	28,501,300.83	1,258,777.81	351,245.55	186,499.13	2,577,891.00	178,473.08	1,045,968.64	911,102.35	1,500,479.88	34,506,948.91
Midpeninsula Regional Open Space District	8,545,217.77	488,478.91	180,427.85	69,652.99	172,210.73		78,153.17	151,438.38	220,783.87	9,588,825.63
Mid-Peninsula Water District	138,785.53	8,961.68	3,000.71	1,089.81	64,516.00	13,493.52	2,865.51	993.61	519.95	211,741.42
Montara Water and Sanitary District	331,472.96	21,533.85	7,017.20	2,456.65	134,017.00					496,537.77
Munich and Vector Control District	1,541,438.35	86,331.79	31,779.12	11,040.65	236,011.00	29,451.31	35,468.49	42,782.35	28,678.73	2,001,689.67
North Coast County Water District	476,800.54	24,951.89	4,678.13	2,916.77	212,252.00		587.43	7,443.64	1,631.34	735,562.87
Peninsula Health Care District	4,097,477.78	242,245.68	82,119.20	28,998.54		136,545.27	30,818.10	138,778.53	42,512.64	4,799,896.44
Resource Conservation District	47,268.39	2,532.81	813.75	281.16	9,946.00	783.04		1,346.25	632	57,485.32
San Mateo County Harbor District	3,428,193.22	179,177.33	72,461.41	25,530.99	832,011.00	208,961.64	37,919.38	206,807.60	59,465.05	5,611,508.42
Sequoia Health Care District	1,414,488.15	441,794.41	155,232.02	54,770.66		147,212.44	18,916.62	47,263.02	16,777.63	2,134,441.33
West Bay Sanitary District ^(h)	-	-	-	-	-	-	-	-	-	-
Woodborough Water District	238,173.34	12,776.40	4,176.25	1,456.25	110,402.00					377,884.24
Woodside Fire Protection District	12,741,773.36	611,314.30	223,658.47	78,997.96	1,262,139.00					15,000,923.09
Total	\$ 77,463,699.25	\$ 4,073,725.93	\$ 1,366,963.02	\$ 530,876.26	\$ 7,345,275.00	\$ 1,740,522.18	\$ 1,428,116.63	\$ 1,471,974.81	\$ 1,946,630.24	\$ 97,114,733.32

- NOTES:**
- (a) West Bay Sanitary District does not receive property tax revenues. They have special charges which generated \$17,735,961 in revenues for the taxing entity in FY 2012-2013.
 - (b) Secured revenues include sanitary property tax. All property tax revenues are net of refunds.
 - (c) Supplemental revenues represent current secured supplemental revenues only. This does not include unsecured supplemental and redemption supplemental.
 - (d) RDA Residential and Pass Through Payments are ongoing until completion of RDA wind down. Amounts may vary from year to year due to various factors (refunds, reserve amounts, reinvestment of obligations).
 - (e) These are one-time special taxing entities received as a result of the RDA dissolution.

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Special districts are formed because counties and cities often cannot provide all of the services their constituents demand. They have most of the same basic powers as counties and cities. They can issue bonds, impose special taxes, levy benefit assessments and charge service fees.⁴

With over 2,000 special districts located in California, it is important to recognize the different types of special districts. Approximately two-thirds of the state's special districts are independent districts. They have their own separate governing boards elected by the districts' own voters. The San Mateo County Harbor District is an example of an independent special district. The County's voters elect the five Commissioners who oversee the District. Conversely, city councils or county boards of supervisors govern dependent districts. The Crystal Springs County Sanitation District is a dependent district, governed by the County Board of Supervisors. For the purposes of this report, the Grand Jury investigated only independent special districts.

METHODOLOGY

The Grand Jury adopted a website transparency checklist, created by the Special District Leadership Foundation (SDLF)⁵. The sister organization of the SDLF is the California Special Districts Association (CSDA). The CSDA has been in existence since 1969 to "promote good governance and improve core local services through professional development, advocacy, and other services for all types of independent special districts."⁶ The SDLF was created in 1999 and defines itself as "a 501(c)(3) organization formed to provide educational opportunities to special district officials and employees to enhance service to the public provided by special districts in California."⁷ The Grand Jury reviewed the website of each of the County's independent special districts and evaluated the information provided based on the criteria in the checklist. In addition to simply searching for the requested items in the list, the Grand Jury also evaluated the ease with which a user might find those items.

For true transparency all of the following items should be readily apparent:

- Names of Board or Commission members and their terms of office
- Names of general manager, fire or police chief, and key staff along with contact information for each
- Election procedure and deadlines
- Board meeting schedule (regular meeting agendas must be posted 72 hours in advance)
- District's mission statement
- Description of district's services/functions and service area

⁴ "What's So Special About Special Districts? A Citizen's Guide to Special Districts in California" is an informational paper prepared by the Senate Local Government Committee. It can be found at: www.clerk.calaverasgov.us

⁵ See appendix B for the checklist

⁶ The CSDA can be found at www.csda.net

⁷ The SDLF can be found at www.sdlf.org.