



July 25, 2024

Honorable Judith C. Clark  
Presiding Judge  
Superior Court of California, County of Riverside  
4050 Main Street  
Riverside, CA 92501

Riverside County Grand Jury  
Post Office Box 829  
Riverside, CA 92502

Riverside County Clerk-Recorder  
2720 Gateway Drive  
Riverside, CA 92507

**Re: Response to the Riverside County Civil Grand Jury 2023-2024 Report: Riverside County Special Districts: Obscure Local Government**

Dear Judge Clark, et al.,

Pursuant to California Penal Code Section 933 et seq., please find below the Riverside Local Agency Formation Commission (LAFCO) response to the above-entitled Grand Jury Report within the designated ninety (90) day response time period. Specifically, as noted in the Grand Jury Report, Riverside LAFCO has been "invited" to respond to the Findings and Recommendations identified in the Grand Jury Report; however, it has not been tasked with addressing or implementing any of the specified Findings and Recommendations.

**FINDING No. F-1-** All local governments, including special districts, are required to annually report their financial transactions to the California Controller's Office pursuant to Government Code section 12463 et seq. There reports are compiled and published by the Controller's Office and are accessible online.

**Response-** Riverside LAFCO agrees with Finding F-1.

**FINDING No. F-2-** Local district attorney's handle most criminal activity complaints. As it relates to special districts, multiple California state laws strictly prohibit misconduct: Government Code section 8314, Penal Code section 424, Government Code section 1090, and Government Code section 1097.

**Response-** Riverside LAFCO agrees with Finding F-2.

**FINDING No. F-3-** Riverside County special districts appear to operate in relative obscurity, hidden from the scrutiny of the public they were created to serve. Less than 50% have websites, and of those, a bulk are redirected to the County site for Economic Development.

**Response- Riverside LAFCO partially agrees with Finding F-3.** The 55 “independent special districts” that Riverside LAFCO is responsible for certain oversight activities and actions regarding annexations, sphere of influence and periodic municipal service reviews are all generally proactive in some form in public transparency. Additionally, 53 of these districts maintain websites, most of which have significant information on meetings, agendas, financial transparency and services information. It should be noted that Riverside LAFCO has no purview over the balance of the various special districts, nor the Joint Powers Authorities (JPAs), which are not special districts, noted in the Grand Jury Report, therefore has no comment on those districts.

**FINDING No. F-4-** Multiple areas of improvement exist related to best practices: transparency/accountability, community engagement, governance/leadership, financial management, service delivery/efficiency, and environmental/social responsibility.

**Response- Riverside LAFCO partially agrees with Finding F-4-** The 55 “independent special districts” that Riverside LAFCO is responsible for regarding certain oversight responsibilities regarding annexations, sphere of influence determinations and periodic municipal service reviews are all generally proactive in the areas identified. It is acknowledged that continuous improvement should always be at the forefront of each district’s strategic focus. It should be noted that Riverside LAFCO has no purview over the balance of the various special districts and JPAs noted in the Grand Jury Report.

**FINDING No. F-5-** The top ten revenue generating special districts in Riverside County have a total revenue of \$1.45 billion, or 20% of the \$7.31 billion total revenues for Riverside County in 2021.

**Response- Riverside LAFCO has no comment on Finding F-5-** Riverside LAFCO cannot verify these amounts listed, however, does assume the amounts are correct based on the research performed by the Grand Jury.

**FINDING No. F-6-** The top ten expenditures for Riverside County special districts total \$1.42 billion, or 19% of the \$7.67 billion annual budget for Riverside County in 2021, and 11% of the \$13.4 billion total actual expenditures for Riverside County in 2021.

**Response- Riverside LAFCO has no comment on Finding F-6-** Riverside LAFCO cannot verify these amounts listed, however, does assume the amounts are correct based on the research performed by the Grand Jury.

**RECOMMENDATION No’s. R-1 through R-4-** Recommendations R-1 through R-4 are tasked to the Board of Supervisors and the District Attorney for response and potential implementation of the recommendations.

**Response- Riverside LAFCO has no comment on Recommendations No's. R-1 through R-4.** There are no Recommendations for Riverside LAFCO requiring LAFCO action, and LAFCO defers any responses for these Recommendations to those affected agencies.

Riverside LAFCO greatly appreciates and commends the work performed by the Grand Jury and the thoroughness and professionalism by those Grand Jurors involved in development of the overall report. Riverside LAFCO looks forward to working with the Grand Jury on any future endeavors the Grand Jury may engage in that requires our agency's participation.

Sincerely,



Michael Vargas,  
Chairperson  
Riverside LAFCO

cc by email only: Melissa Cushman, Deputy County Counsel, Riverside County Office of  
County Counsel  
Riverside County Board of Supervisors