

Report Title: Special Districts in Marin County**Report Date: June 14, 2002****Response by: Mel Nunes****Title: President, Board of Directors****FINDINGS**

- I (we) agree with the findings numbered: 1, 2, 3, 4, 6, 7
- I (we) disagree wholly or partially with the findings numbered: 6

(Attach a statement specifying any portions of the findings that are disputed; include an explanation of the reasons therefor.)

RECOMMENDATIONS

- Recommendations numbered 1, 2, 3, 4, 6, 7 have been implemented.

(Attach a summary describing the implemented actions.)

- Recommendations numbered _____ have not yet been implemented, but will be implemented in the future.

(Attach a timeframe for the implementation.)

- Recommendations numbered _____ require further analysis.

(Attach an explanation and the scope and parameters of an analysis or study, and a timeframe for the matter to be prepared for discussion by the officer or director of the agency or department being investigated or reviewed, including the governing body of the public agency when applicable. This timeframe shall not exceed six months from the date of publication of the grand jury report.)

- Recommendations numbered _____ will not be implemented because they are not warranted or are not reasonable.

(Attach an explanation.)

Date: _____ Signed: _____

Number of pages attached _____

Response to Recommendations:

1. In special districts where compensation is paid to directors for attending meetings, the amount should be specifically justified to the district's constituents.

The Novato Fire District follows the compensation for Board of Directors meetings as outlined in SB 515 and the Fire Protection Law of 1987.

2. Special district boards should strive to minimize the number of meetings held each month.

The Novato Fire District is currently conducting a three month study wherein the Board will meet once per month, rather than twice.

3. Special district members should not receive medical and/or dental benefits at taxpayer expense.

The Novato Fire District Board members do not receive medical/dental benefits.

4. Travel and conference expenses of special district board members should be kept to a reasonable amount.

The Novato Fire District Board members keeps travel and conference expenses to a minimum.

6. All 34 special districts should develop the make public, written guidelines governing the present and future level of reserves shown in the balance sheets. The term "reserves" should be defined as cash or cash equivalents, both "restricted and unrestricted". If, based upon these guidelines, analysis shows that reserves are too high, the districts should implement plans to reduce fees or otherwise return the excess funds to their constituencies.

The Novato Fire District has a well-defined policy for reserves, with each account delineated for improvement within the system or for actual expenses. The District will be hiring a consultant in 2002/2003 to evaluate its long-term financial needs.

7. The County Auditor and the special districts should work together to develop clear terminology and standardized formats for the reporting of reserves.

The Novato Fire Districts works closely with the County Auditor on all fiscal matters.

Response to Findings:

6. Most districts do not provide the public with easily understood financial statements and analysis of existing and future reserves. Special districts financial statements and reserves cannot be evaluated effectively by the public, due to inconsistent terminology and format.

The Novato Fire District has a well-defined policy for reserves, with each account delineated for improvement within the system or for actual expenses. The District will be hiring a consultant in 2002/2003 to evaluate its long-term financial needs. We have given our citizens an overview of our finances and reserves and have just completed a comprehensive Strategic Plan that outlines current and future needs. We focused on our financial stability as part of Measure C which passed in March of 2002.

