



CITY OF FAIRFIELD

Founded 1856

Incorporated December 12, 1903

August 18, 2021

Home of
Travis Air Force Base

COUNCIL

Mayor

Harry T. Price
707-428-7395

Vice-Mayor

Rick Vaccaro
707-429-6298

Councilmembers

707-429-6298

Pam Bertani
Catherine Moy
Doriss Panduro
Chuck Timm
Scott Tonnesen

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City Manager

Stefan T. Chatwin
707-428-7400

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City Attorney

Gregory W. Stepanich
707-428-7419

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City Clerk

Karen L. Rees
707-428-7384

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City Treasurer

Arvinda Krishnan
707-428-7036

DEPARTMENTS

City Manager's Office

707-428-7400

Community Development

707-428-7461

Finance

707-428-7036

Fire

707-428-7375

Housing Services

707-428-7688

Human Resources

707-428-7394

Parks & Recreation

707-428-7465

Police

707-428-7362

Public Works

707-428-7485

Honorable Robert S. Bowers
Presiding Judge of the Superior Court
600 Union Avenue
Fairfield, CA 94533

Dear Judge Bowers:

This letter is in response to the Civil Grand Jury report dated June 15, 2021 regarding the City of Fairfield's asset forfeiture processes. The Grand Jury's findings and recommendations are listed below along with our response:

Finding 1 – The City's Annual Asset Seizures Reconciliation Procedures do not include verification to a control balance to confirm the General Ledger balance is accurate. This lack of verification results in the inability to ensure that asset values have been protected and preserved.

Recommendation 1 – Upon completion of the annual audit of outstanding balances in the Asset Seizures Holding Account, the City effectively coordinate with the Solano County District Attorney's Office (DA) to track balances for cases currently being adjudicated to ensure that balances match.

City Response to Finding and Recommendation 1 - The City partially agrees with the finding and recommendation.

The City does currently perform a reconciliation from the detailed spreadsheet (where the City tracks each case and balance on deposit) to the general ledger control account. As proposed, the City will look to coordinate with the DA's office to further coordinate and reconcile between the two sets of records.

Finding 2 – The FYE 2020 annual audit spreadsheet reflects a single unresolved, cumulative debit balance of \$5,452.73 as of June 30, 2004. New debit balances totaling \$2,802.80 are outstanding as of FYE June 30, 2020, resulting in an overall \$8,255.53 debit total. This potentially indicates either an overpayment from, or mis-postings to, the Asset Seizures Holding Account.

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Recommendation 2 – The cause of the large outstanding debit balances must be researched and resolved or charged off as a loss.

City Response to Finding and Recommendation 2 - The City agrees with the recommendation and will further research this issue and will reconcile and resolve these differences.

Finding 3 – The 2020 annual audit reflects many aged outstanding balances. There are 71 entries totaling \$61,509.06 aged 6 to 16 years. Forty-four of the 71 are a decade or more old. There are at least 35 instances of outstanding balances on cases where assets were noted as returned (13) or forfeited (22).

Recommendation 3a – The City of Fairfield Finance Department undertake a detailed review of all aged outstanding balances and work with the DA's office to identify DA case numbers to facilitate comparison with the annual AG report.

Recommendation 3b - Research the City's GL for possible posting of reversing entries to incorrect GL account(s) and, if identified, process correcting entries.

Recommendation 3c - Consult with the DA to determine if there are any circumstances in which unclaimed balances meet the statutory requirements for administrative forfeiture and distribution.

City Response to Finding and Recommendation 3 - The City agrees with the finding and recommendations and will further research the City's records for any possible corrections needed. The City will also consult with the DA's office about unclaimed balances as well as undertake a review with the DA's office to try and identify DA Case numbers for a better and more detailed comparison with their records.

Finding 4 – The 2020 Fairfield annual audit of the Asset Seizures Holding Account shows 42 outstanding balances totaling \$145,342.42 aged five years or less. At least eight of these cases exhibit the same exception attributes as those in the aged category associated with balances on cases where the asset status is noted as returned and/or forfeited.

Recommendation 4 – Undertake a detailed review of all outstanding balances aged 0-5 years and work with the DA's office to determine DA case numbers to facilitate research and resolution to these balances.

City Response to Finding and Recommendation 4 – The City agrees with the finding and recommendation and will perform research and a detailed review of the outstanding balances in order to seek a resolution with these balances; this will include coordination with the DA's office.

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Finding 5 – The 2020 Fairfield annual audit of the Asset Seizures Holding Account has 15 outstanding balances where the Fairfield Police Department case numbers are not clearly identified.

Recommendation 5 – Research and identify a valid Fairfield Police Department case number to ensure these balances are associated with an asset seizure. Work with the Solano County DA's office to determine DA case numbers to facilitate research and resolution to these balances.

City Response to Finding and Recommendation 5 – The City agrees with the finding and will continue to research and work towards identifying the Fairfield Police Department Case numbers, as well as working with the DA's office to determine DA case numbers, which will lead to a further resolution and disposition of these balances.

I trust that the information provided adequately responds to the Grand Jury's Findings and Recommendations.

Respectfully,



STEFAN T. CHATWIN
City Manager