

Editorial: CalFire burns trust with taxpayers

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A second state department is caught hiding money. Once again, there will be an audit, a legislative hearing and no doubt a "full" investigation.

While full details are emerging, CalFire concealed \$3.66 million that should have gone into the general fund.

Its arrogance underscores the larger issue: The money doesn't belong to some bureaucrat with a badge. It belongs to the people.

In a budget that exceeds \$130 billion, \$3.6 million might be considered dust. Dust or not, the money didn't belong to CalFire bureaucrats – as they knew, according to internal documents. The money should have been deposited in the general fund, for the benefit of the entire state.

Starting in 2005, CalFire collected the \$3.6 million in settlements of lawsuits against property owners who had liability from fires, as was first reported by the *Wall Street Journal* and *Los Angeles Times*. Attorneys defending Sierra Pacific Industries discovered the cache of money while fighting a suit in which the state seeks to recover costs of quelling the Moonlight Fire.

Rather than depositing the money into the general fund as required by law, CalFire used it to buy goodies including digital cameras, GPS equipment and metal detectors, and pay, as the *Bee's* Kevin Yamamura reported, \$33,000 for a conference at a Pismo Beach resort.

The California District Attorneys Association, which should have known better, agreed in 2005 to manage the money, in exchange for payments which totaled more than \$370,000 over the seven-plus years.

CalFire officials knew months and maybe years ago that what they were doing was wrong, as drafts of early audits showed. They passed up several chances to come clean and hand the money over to the Department of Finance.

Instead, CalFire officials clammed up as Department of Finance auditors scoured departments looking for hidden funds last year, in the wake of revelations that the state Department of Parks and Recreation squirreled away more than \$20 million.

CalFire remained mute as the California attorney general investigated, lightly as it happens, the parks department.

Finally, the District Attorneys Association, whose past leaders showed questionable judgment by entering into the agreement with CalFire, severed the arrangement in December after its current leadership learned about it.

CalFire clearly should have come forward at that point.

The California Department of Finance has commenced an audit. Auditing is an essential part of budgeting. But so is trust. The Department of Finance relies on the honesty of the myriad of state departments to provide truthful and complete information. In this instance, CalFire, a department that is responsible for protecting people and property, stumbled badly, and in the process sacrificed trust.