

1 GILBERT G. OTERO (SBN 145520)

*Otero55@att.net*

2 719 S. 2<sup>nd</sup> Street

Brawley, California 92227-3805

3 BOBKO LAW APC

4 Patrick K. Bobko (SBN 208756)

*Patrick@BobkoLaw.com*

5 23 Corporate Plaza Dr., Ste. 150

Newport Beach, California 92660

6 (949)432-9975

7 Attorneys for Petitioner

Auditor-Controller Karina B. Alvarez

**ELECTRONICALLY FILED**

Superior Court of California,

County of Imperial

**07/17/2025 at 04:29:59 PM**

By: Mariana Gutierrez, Deputy Clerk

10 **SUPERIOR COURT OF THE STATE OF CALIFORNIA**

11 **COUNTY OF IMPERIAL**

13 KARINA B. ALVAREZ, in her official  
14 capacity as Imperial County  
Auditor/Controller,

15 Petitioner and Plaintiff,

16 vs.

17 COUNTY OF IMPERIAL, CALIFORNIA by  
18 and through its BOARD OF SUPERVISORS,  
and DOES 1 through 100, inclusive,

19 Respondents and Defendants.

Case No.: ECU004112

**FIRST AMENDED**

**VERIFIED PETITION FOR WRIT OF  
MANDATE and COMPLAINT for  
INJUNCTION and DECLARATORY  
RELIEF**

**(C.C.P. §1085; Gov't C. § 31000.6; C.C.P.  
§1060)**

**Dept. 9**

**Exempt from filing fees  
Gov't C. §6103**

1 **FIRST AMENDED**

2 **PETITION FOR WRIT OF MANDATE and COMPLAINT**

3 **Introduction**

4 1. Petitioner Karina B. Alvarez, in her official capacity as the elected Auditor-  
5 Controller for the County of Imperial, seeks a writ of mandate under Code of Civil Procedure  
6 section 1085 to compel the Imperial County Board of Supervisors (the "Board") to appoint  
7 independent counsel to represent her and her office because the Office of County Counsel can  
8 no longer represent her. The Board, with the assistance and upon the advice of Imperial  
9 County Counsel, has taken actions adverse to the Auditor-Controller's Office and Ms. Alvarez,  
10 as the County's elected Auditor-Controller, that impair her ability to perform her statutory  
11 duties for the residents of Imperial County. This puts County Counsel in a position directly  
12 adverse to the Auditor-Controller and creates an irreconcilable conflict-of-interest. The Board  
13 has refused to appoint independent counsel for the Auditor-Controller despite the obvious and  
14 un-waivable conflict that exists with County Counsel. She makes this application pursuant to  
15 Government Code section 31000.6 which was specifically designed to allow county officials  
16 access to their own legal counsel when the County Counsel was conflicted.

17 2. Ms. Alvarez, in her official capacity, seeks to enjoin the County of Imperial,  
18 acting through its Board of Supervisors, from undermining the elected office of the Imperial  
19 County Auditor-Controller. The Board has interfered with, and continues to interfere with,  
20 statutory mandates by constructively removing the Auditor-Controller from her position by  
21 making it so difficult for her to perform her duties that she cannot effectively accomplish them.

22 3. The Board's actions damage the independence of the Auditor-Controller,  
23 undermine the public's faith in government, and diminish the transparency of Imperial  
24 County's finances. The Board, through its interference, is impairing the Auditor-Controller's  
25 office from completing work necessary to complete audits, which has resulted in the  
26 downgrading of the County's bond rating. The Board's actions against the Auditor-Controller  
27

1 are having a direct and harmful impact on the costs imposed on the County to access capital.

### 3 **Parties**

4 4. Karina B. Alvarez (“Ms. Alvarez”) is the elected Imperial County Auditor-  
5 Controller. Ms. Alvarez was first appointed as Auditor-Controller by a unanimous vote of the  
6 Board on April 12, 2022 and was then elected (without opposition) in the June 2022 election  
7 cycle. Ms. Alvarez is a Certified Public Accountant and Certified Fraud Examiner.

8 5. Imperial County is a political subdivision of the State of California.

9 6. The Imperial County Board of Supervisors (“Board”) is the elected body of the  
10 County of Imperial. The Board consists of five elected members including a Board Chairman.

11 7. County Counsel serves as the Board’s attorney. County Counsel is also intended  
12 to represent other offices and departments within the County, including the Auditor-  
13 Controller’s Office. County Counsel sits with the Board in “closed session” meetings and  
14 provides legal advice to the Board on issues such as the action against the Auditor-Controller.  
15 The Auditor-Controller’s Office does not have its own in-house attorney.

### 17 **Venue and Jurisdiction**

18 8. This Court has jurisdiction over this action pursuant to Government Code  
19 section 1085 and 31000.6.

20 9. Venue is proper in this Court because the Board and Auditor-Controller are both  
21 located in Imperial County and the violations of law occurred in this jurisdiction.

### 23 **Statutory and Constitutional Background**

24 10. The California Constitution provides for the election of county officials and  
25 mandates the California Legislature prescribe their powers. *See* Cal. Const. Art. 11 sec. 1. The  
26 County of Imperial and its Board cannot exercise powers not granted by the State. The Board’s  
27

1 powers are enumerated by statute (Gov't C. § 25200 *et seq.*).

2       11.     The Office of Auditor-Controller is the chief accounting office of the County  
3 and manages the County's financial affairs including payroll, payment of bills, adjustment of  
4 taxes, preparation of budgets, and the conduct of audits. The Auditor-Controller is an  
5 independent, non-partisan, elected office established to provide oversight for the County's  
6 approximate \$655,000,000 budget and payroll for approximately 2,400 employees. The Board  
7 created the Auditor-Controller as an elective office pursuant to Government Code section  
8 26880 and gave the Auditor-Controller the duties specified in chapters 3.5 and 4 of Division 2  
9 of Title 3 of the Government Code. (Imperial County Municipal Code ("ICMC") §§ 2.28.010-  
10 .070.)

11       12.     ICMC section 2.28.020 specifies the Auditor-Controller "shall be elected by the  
12 voters of the county of Imperial." ICMC section 2.28.050 specifies the elected Auditor-  
13 Controller's duties. Those duties include:

- 14       A.     The county auditor-controller shall be the chief accounting officer of the board.  
15             Upon order of the board of supervisors, the county auditor-controller shall  
16             prescribe, and exercise a general supervision over, the accounting forms and  
17             the method of keeping the accounts of all offices, departments and  
18             institutions under the control of the board of supervisors and of all  
19             districts whose funds are kept in the county treasury.
- 20       B.     The county auditor-controller shall perform the duties of the county auditor as  
21             provided for in Chapter 4 (commencing with Section 26900)<sup>1</sup> of Part 3 of  
22             Division 2 of Title 3 of the Government Code, and such additional duties  
23             relating thereto as may be required by county ordinances or orders or  
24             directions of the board of supervisors.

---

26  
27 <sup>1</sup> Government Code sections 26900 *et seq.* generally involve specific duties assigned to the  
Auditor-Controller.

1 C. The county auditor-controller shall perform the duties of the county auditor as  
2 provided for in Chapter 4 (commencing with Section 26880) of Part 3 of  
3 Division 2 of Title 3 of the Government Code, and such additional duties  
4 relating thereto as may be required by county ordinances or orders or  
5 directions of the board of supervisors. (Emphasis added).

6 13. Government Code section 26881 in turn, states: “The county auditor, or in  
7 counties that have the office of controller, the auditor-controller shall be the chief accounting officer of  
8 the county.” (Emphasis added). The Auditor-Controller is ultimately responsible for prescribing  
9 and supervising the accounting forms and methods of keeping accounts for all county offices,  
10 including the Board of Supervisors. The Auditor-Controller’s role is necessarily independent of  
11 the Board’s and the Auditor-Controller’s authority is derived from statute. The Auditor-  
12 Controller provides independent oversight for the expenditure of public funds and her  
13 independence from the Board aids in maintaining the public trust.

14 14. Each of the duties identified in the ICMC and the Government Code specify that  
15 the Auditor-Controller “shall” perform them. They are not assigned to any other person or  
16 entity in the County. This is an unambiguous statutory instruction, and “[o]rdinarily, the term  
17 ‘shall’ is interpreted as mandatory and not permissive. Indeed, ‘the presumption [is] that the  
18 word ‘shall’ in a statute is ordinarily deemed mandatory...”. See **Amir v. Superior Court**, 26  
19 Cal.App.5th Supp. 1, 6, (2018).

20 15. The Auditor-Controller’s duties are established by statute (Gov’t C. § 26880 *et*  
21 *seq.*, (controller) § 26900 *et seq.* (auditor)) and cannot be reassigned by the County Board of  
22 Directors to a different person or entity. See **Hicks v. Bd. of Supervisors**, 69 Cal.App.3d 228  
23 (1977).

24 16. The Board is without power to impair or constrain the Auditor-Controller’s  
25 statutory authority. The Board has no statutory authority to control, directly or indirectly, the  
26 manner in which the Auditor-Controller performs her duties or to exercise management over  
27

his or her office. *See People v. Langdon*, 54 Cal.App.3d 384, 390 (1976).

17. The Board has no authority to “discipline” the Auditor-Controller or to remove her from office. That power is entrusted to the voters of Imperial County alone through the recall process. *See* Cal. Const. art. 2, sec. 19.

### Legislative Background for Independent Counsel

18. Government Code section 31000.6 was the product of Auditor-Controllers in California being left without the benefit of legal counsel when their actions or interests differed from their respective Boards of Supervisors.

19. AB 3068, eventually codified at 31000.6, had the support of Auditor-Controllers throughout the state because the conflict-of-interest issue was very common with county counsels. A true and correct copy of a letter from the California State Association of County Auditors to then-Governor Brown requesting his signature on the legislation dated August 29, 2018 is attached hereto as **Exhibit “A.”**

20. AB 3068’s legislative history was rich with examples of auditor-controllers struggling to remain their independence in the face of legal challenges from boards of supervisors, all represented by county counsel. For example:

- El Dorado County Auditor-Controller was left without legal counsel when his Board of Supervisors sued him when he refused to pay for a fire engine he believed was funded through illegally collected fees;
- Monterey County Auditor-Controller Mike Miller was threatened with litigation if he refused to make retroactive pay increases he believed were contradicted by local ordinance;
- Late-Orange County Auditor-Controller Eric Wollery was threatened with litigation for his refusal to make four years-worth of retroactive pension payments for a member of the Board of Supervisors;

- In Sutter County, former Auditor Controller Robert Stark had multiple disputes with the County Board, leading to a criminal prosecution by the District Attorney. Stark was forced to spend upwards of \$400,000 defending himself from the prosecution. The District Attorney eventually dropped the charges, and then publicly admitted the allegations and charges were principally directed at forcing Stark from office.

21. AB 3068 became Government Code section 31000.6, which states: “Upon request of the ... auditor-controller ..., the board of supervisors shall contract with and employ legal counsel to assist ... in the performance of their duties in any case where the county counsel or the district attorney would have a conflict of interest in representing the ... auditor-controller....” Subdivision (a) of that same statute imposes a mandatory duty on the board of supervisors to retain independent counsel for the auditor-controller when the conditions of the statute are satisfied. “The duty arises when (1) the assessor or sheriff requests independent counsel, (2) the assessor or sheriff requires legal counsel to assist ‘in the performance of his or her duties,’ (3) county counsel or the district attorney has a conflict of interest in representing the sheriff or assessor, and (4) the county fails to demonstrate that an ethical wall can be created to resolve the conflict and permit county counsel or the district attorney to represent the sheriff or assessor. (§ 31000.6, subds. (a) & (c).)” See ***Rivero v. Lake County Bd. of Supervisors***, 232 Cal.App.4th 1187, 1194 (2014).

22. Government Code section 31000.6 (f) states a “conflict of interest” is defined at “Rule 1.7 of the Rules of Professional Conduct of the State Bar of California, as construed for public attorneys.” Rule of Professional Conduct 1.7 states:

“(a) A lawyer shall not, without informed written consent from each client and compliance with paragraph (d), represent a client if the representation is directly adverse to another client in the same or a separate matter.

(b) A lawyer shall not, without informed written consent from each affected

1 client and compliance with paragraph (d), represent a client if there is a  
2 significant risk the lawyer's representation of the client will be materially  
3 limited by the lawyer's responsibilities to or relationships with another client, a  
4 former client or a third person, or by the lawyer's own interests.” Ca. R. Prof'l  
5 Conduct 1.7 (emphasis added).

6  
7 **The Board's (and County Executive's) Interference**  
8 **with Auditor-Controller's Duties**

9 23. Ms. Alvarez was appointed to fill the then-empty office of Imperial County  
10 Auditor-Controller by a unanimous vote of the Board of Supervisors on April 12, 2022. The  
11 prior Auditor-Controller was elected in 2018 and took office in 2019. In 2020, the prior  
12 Auditor-Controller was charged with misappropriating public funds and was convicted in  
13 criminal court on February 24, 2022. According to the Calexico Chronicle, the former Auditor-  
14 Controller was censured by the Board of Supervisors in 2020 for failure to respond to a bond-  
15 rating company and failing to file the county's adopted budget with the state.

16 24. In April 2022, when Ms. Alvarez assumed her duties from the former office  
17 holder, the files, records, and reporting requirements for the County of Imperial were in a state  
18 of complete disrepair. Reports from the prior Auditor-Controller were already behind schedule.

19 25. In August 2024, Ms. Alvarez provided a presentation to the Board wherein she  
20 highlighted the lack of resources in her department and asked for an increase in her staff to dig  
21 out of the hole she'd been left. Ms. Alvarez's requests for help to handle the work that had  
22 accumulated in the Auditor-Controller's office died for lack of a motion from the Board, which  
23 was unwilling to provide her with the resources to clean-up the mess left by the disgraced  
24 former Auditor-Controller.

25 26. The Board's indifference to Ms. Alvarez's warnings and requests resulted in high-  
26 turnover rates among Auditor-Controller employees and the corresponding loss of institutional  
27



knowledge for the department. Approximately 70% of the Auditor-Controller's office employees have been in their positions for three years or less. New employees require training and orientation, which in-turn further delay progress in bringing the Auditor-Controller's office back to the place it should have been before the prior Auditor-Controller's conviction. All three managers and the Assistant Auditor-Controller in the Auditor-Controller's office are new, further limiting supervisory oversight.

27. On April 22, 2025, the Board, upon the recommendation of Assistant County Executive Officer Rebecca Terrazas-Baxter, passed a resolution expressing “No Confidence” in the Auditor-Controller. More importantly, the resolution also purported to rescind the Auditor-Controller’s job description within the Imperial County Human Resources and Risk Management filings, and approved a new job description for the Assistant Auditor-Controller. A true and correct copy of the April 22, 2025 agenda item (#19) and corresponding staff memo and job description is attached hereto as **Exhibit “B.”**

28. During the April 22, 2025 meeting, Chairman Hawk stated help had been offered to Ms. Alvarez and declined by her. Ms. Alvarez responded that the only “help” offered was to remove one of her departments and place it under the Board’s control. Chairman Hawk would again raise this issue with Ms. Alvarez during a closed-door meeting on May 8, 2025.

29. Following the April 22, 2025 Board meeting and vote, the Board constructively eliminated the elected Auditor-Controller from information and employees needed to accomplish her job, instead relying upon the Board's preferred Assistant Auditor-Controller – a non-elected employee of the County.

30. Ms. Terrazas-Baxter circulated a memorandum prior to the meeting which stated: “The Board of Supervisors has consulted with Counsel and coordinated corrective actions to protect the interest and integrity of the County . . . including . . . the desire of the Board to express ‘no confidence’ in the job performance of the Auditor-Controller...” (Emphasis added). At that same meeting, the Board amended the job description of the Assistant

1 Auditor/Controller from the prior description that had been approved by the Board on July 7,  
2 2020.

3 31. According to Ms. Terrazas-Baxter's Staff Report, the Board was allegedly  
4 concerned about late filings of County annual audits reports, despite Ms. Alvarez's prior  
5 warnings about the lack of staffing in her office and the state of the office she inherited from  
6 the prior Auditor-Controller. For example, when Ms. Alvarez assumed office on May 3, 2022,  
7 the external auditors were just starting to work on the County's June 30, 2021 audit. The  
8 records left by the prior Auditor-Controller were in such overwhelming and complete disorder  
9 it took Ms. Alvarez and her employees months to organize them. According to THE DESERT  
10 REVIEW, Ms. Alvarez said: "the records were in such disarray the auditors were ready to walk  
11 out" and could not do the work necessary to prepare an audit report.<sup>2</sup> The Board took none of  
12 these facts into consideration when it effectively transferred authority from the Auditor-  
13 Controller to an unelected Assistant Auditor-Controller.

14 32. On May 8, 2025, two members of the Board, John Hawk, Chairman, and Peggy  
15 Price, Supervisor for District 3, requested a meeting with Ms. Alvarez at 2:30 p.m. in the  
16 Board's small conference room. At that meeting, Chairman Hawk questioned Ms. Alvarez's  
17 management and suggested she "give up" sections in the Auditor-Controller's office. Chairman  
18 Hawk asked Ms. Alvarez to "do the right thing." Boardmember Price also asked Ms. Alvarez to  
19 "do the right thing." Ms. Alvarez understood the two Supervisors were effectively requesting  
20 that she resign her elected office. Ms. Alvarez refused.

21 33. On May 9, 2025, another member of the Board, Supervisor Ryan Kelley, called  
22 Ms. Alvarez. Like his colleagues who had pressured Ms. Alvarez the day before, Supervisor  
23 Kelley also told Ms. Alvarez to "do the right thing" and step aside. Again, Ms. Alvarez refused.

24 34. Six days after meeting with the two Supervisors, Ms. Terrazas-Baxter issued a  
25

26 \_\_\_\_\_  
27 <sup>2</sup> [https://www.thedesertreview.com/news/supervisors-pass-no-confidence-vote-against-auditor-controller/article\\_3410a786-ca3f-425a-b5dd-6778b8c04357.html](https://www.thedesertreview.com/news/supervisors-pass-no-confidence-vote-against-auditor-controller/article_3410a786-ca3f-425a-b5dd-6778b8c04357.html)

memo physically removing the Auditor-Controller from her office and relocating her to an office in the Agricultural Commissioner's offices in a geographically separate location. Ms. Alvarez was instructed to work with her subordinates only through the Assistant Auditor-Controller. The memo Ms. Terrazas-Baxter sent to Ms. Alvarez states: "You are to report ONLY to the new location as your place of work." Ms. Alvarez's access code to the Auditor-Controller's office was cancelled and her parking place relocated. A true and correct copy of the May 14, 2025 memo is attached as **Exhibit "C."**

35. The Auditor-Controller's relocated office physically removes her from her employees and the resources of her office, eliminating any possibility of direct supervision or control of her employees' workflow or priorities. It also renders effective training of her subordinates impossible, which is acutely problematic given the high-turnover rates in the Auditor-Controller's office. The enforced removal of Ms. Alvarez from her employees intentionally makes her effective management of the Auditor-Controller's office impossible.

36. The County is currently moving to a new accounting software system (the Tyler Technology “ERP”) and Ms. Alvarez has been excluded from participation in the early transition. The Auditor-Controller’s inability to work on the implementation will limit her ability to prepare the necessary reports and compile information required for audits once the software is fully integrated and implemented.

37. On June 13, 2025, S&P Global Ratings lowered the Imperial County bond rating from “A-” to “BBB” with a “negative” outlook. The rating was lowered in part due to “the county’s weak financial performance, negative available reserves, and our view of management and government risks evident in successive late financial audits and turnover in key management roles.” The report further stated the County’s rating could be dropped further – “potentially by multiple notches ... if the county is unable to release its audited 2024 annual financial report by December 2025.” The downgrade in the County’s bond rating makes borrowing more expensive which in turn, costs the taxpayers more to access capital. A further

1 downgrade would cost the Imperial County taxpayers even more. A true and correct copy of  
2 the S&P Global Ratings report is attached as **Exhibit “D.”**

3 38. On June 30, 2025, Ms. Terrazas-Baxter sent a second memorandum to Ms.  
4 Alvarez advising her that her forced removal from the Auditor-Controller’s offices had been  
5 extended for an additional 90-days. The memo stated this was in-part due to a pretextual  
6 “Work Climate Assessment” the Board attempted to force on Ms. Alvarez, which included a  
7 visit with a psychologist. Ms. Alvarez refused to participate. The memo stated:

8 “You are to report ONLY to the new location as your place of work. Your  
9 designated parking space has also been relocated. You may perform your work  
10 remotely . . . [and] your communication with the Auditor-Controller Department  
11 is ONLY through Assistant Auditor-Controller Edith Anaya. You are to have no  
12 direct communication or contact (in-person, email, text, telephone, cellphone)  
13 with Auditor-Controller staff.” (Emphasis added).

14 A true and correct copy of the June 30, 2025 memo is attached as **Exhibit “E.”**

15 39. In short, the actions of the Board and the Assistant County Executive Officer  
16 (who works directly for the Board) have directly impeded and practically prohibit Ms. Alvarez  
17 from performing her statutory duties as the chief accounting officer for Imperial County,  
18 including, but not limited to, those duties set forth in Government Code section 26880 *et seq.*  
19 and 26900 *et seq.*

20 40. The Board’s actions and the actions of the Assistant County Executive Officer  
21 who answers directly to the Board, upon the advice of County Counsel, created a direct adverse  
22 relationship with the Auditor-Controller. County Counsel cannot represent the Auditor-  
23 Controller and the Board because their interests are diametrically opposed, creating an “un-  
24 waiveable” conflict-of-interest for County Counsel.

25 41. Ms. Alvarez requested the Board retain independent counsel for her Office on  
26 May 22, 2025 as provided in Government Code section 31000.6(a). The Board did not respond  
27

1 to her request and then opposed Ms. Alvarez's petition to the Superior Court.

2 42. Ms. Alvarez has no other remedy at law and for the purposes of this petition and  
3 complaint, has exhausted her administrative remedies.

4  
5 **First Cause of Action**

6 **Writ of Mandate (C.C.P. § 1085)**

7 43. Ms. Alvarez incorporates by reference each and every allegation in the preceding  
8 paragraphs.

9 44. There exists a direct adversarial conflict between the Board and the Auditor-  
10 Controller and County Counsel cannot represent both parties in the dispute. Ms. Alvarez does  
11 not waive the conflict between herself, the Auditor-Controller's Office, the Board, and County  
12 Counsel. The County Counsel cannot create an "ethical wall" within its office sufficient to  
13 represent both the Board of Supervisors and the Office of the Auditor-Controller who are  
14 directly adverse in this litigation.

15 45. Ms. Alvarez requested the appointment of independent counsel pursuant to  
16 Government Code 31000.6 (a) and the Board ignored her request. This is a failure of the  
17 Board's duty. Based on this omission, the Board has failed to comply with the California  
18 Government Code.

19 46. The Board's failure to act is arbitrary, capricious, and lacking in evidentiary or  
20 legal support, is contrary to statutory law, is an abuse of discretion, and a failure to act as  
21 required by law.

22 47. A writ of mandate should issue ordering the Board to comply with Government  
23 Code section 31000.6 and appoint independent counsel for the Auditor-Controller.

24 48. The Auditor-Controller has no plain, speedy, or adequate remedy in the ordinary  
25 course of law. The only remedy provided by law for the Auditor-Controller to obtain relief is by  
26 *ex parte* application and pursuant to Code of Civil Procedure 1085. *See Rivero v. Lake County*

1 ***Bd. of Supervisors***, 232 Cal.App.4th 1187, 1194 (2014) (“If there is no dispute as to whether a  
2 conflict exists but the board of supervisors refuses to provide independent counsel . . . the  
3 proper legal recourse for the [auditor controller] is to pursue a traditional writ of mandate under  
4 Code of Civil Procedure section 1085 to compel the board of supervisors to perform its duty  
5 under section 31000.6, subdivision (a).”). The Auditor-Controller appeared *ex parte* on June 6,  
6 2025 and July 14, 2025.

7  
8 **Second Cause of Action**

9 **Injunctive Relief**

10 49. Ms. Alvarez incorporates by reference each and every allegation in the preceding  
11 paragraphs.

12 50. Upon information and belief, Plaintiff and Petitioner alleges that the County, by  
13 and through its Board of Supervisors, unless enjoined by this Court, will continue to usurp and  
14 undermine the Office of the Auditor-Controller and take other affirmative steps to prevent the  
15 Auditor-Controller from performing her statutory duties.

16 51. No adequate remedy exists at law for the injuries alleged herein, and Plaintiff and  
17 Petitioner will suffer great and irreparable injury if Defendant and Respondent’s conduct is not  
18 immediately enjoined and restrained.

19  
20 **Third Cause of Action**

21 **Declaratory Relief (C.C.P. § 1060)**

22 52. Ms. Alvarez incorporates by reference each and every allegation in the preceding  
23 paragraphs.

24 53. Under California Code of Civil Procedure § 1060, *et seq.*, the court may declare  
25 rights, duties, statuses, and other legal relations, regardless of whether further relief is or could  
26 be claimed.

1           54.     An actual controversy has arisen between Plaintiff and Petitioner and the County  
2 of Imperial acting by and through its Board of Supervisors pertaining to the rights, duties, and  
3 obligations each owes the other, as set forth below. Resolution of the parties' respective rights  
4 and duties under the law by declaration of the Court is necessary, as there exists no adequate  
5 remedy at law.

6           55.     Plaintiff and Petitioner contends that she has the statutory and constitutional  
7 right to effectuate the duties of the office into which she was elected on behalf of the Imperial  
8 County residents who elected her, the Auditor-Controller for the County of Imperial, without  
9 interference or impediment from the Board of Supervisors. The County, through its Board of  
10 Supervisors, are wrongfully attempting to control the Auditor-Controller's office by stripping  
11 her of statutory duties and depriving her of resources necessary for accomplishing her job. The  
12 County constructively removed the elected Auditor-Controller from her office and in her place  
13 appointed an Assistant to perform the Auditor-Controller's duties. Defendant and Respondent  
14 will continue to act in contravention of the Auditor-Controller's statutory duties and undermine  
15 public trust in the independence of the office unless prevented from doing so by this Court.

16           56.     Plaintiff and Petitioner desires an immediate declaration of her rights arising out  
17 of all the facts and circumstances alleged herein and the concomitant obligations of the County  
18 acting through the Board of Supervisors. Such a declaration is necessary and appropriate at this  
19 time inasmuch as Plaintiff and Petitioner are unable to execute the duties of the office to which  
20 she was elected, causing irreparable injury to both the Office of the Auditor-Controller and the  
21 residents of Imperial County who elected her.

22  
23                                   **Prayer for Relief**

24           57.     For a writ of mandate ordering Imperial County, through its Board of  
25 Supervisors, to appoint independent counsel for the Auditor-Controller pursuant to  
26 Government Code section 31000.6;

1           58.     For this Court to issue an order permanently enjoining Defendant from engaging  
2 in the unlawful practices challenged in this Petition and Complaint;

3           59.     For a declaration that the Auditor-Controller is an independent office from the  
4 County, and that the Board of Supervisors cannot impair, impede, or otherwise restrict the  
5 Auditor-Controller from performing her statutory duties;

6           60.     For attorneys' fees pursuant to Code of Civil Procedure section 1021.5;

7           61.     For any other relief the Court may deem appropriate and proper.  
8

9     Dated: July 17, 2025

Respectfully submitted,

10                   GILBERT G. OTERO

11                   BOBKO LAW APC  
12                   PATRICK K. BOBKO

13                     
14                   Bv: \_\_\_\_\_

15                   Patrick K. Bobko

16                   Attorneys for Petitioner  
17                   Karina B. Alvarez  
18                   Imperial County Auditor-Controller  
19  
20  
21  
22  
23  
24  
25  
26  
27



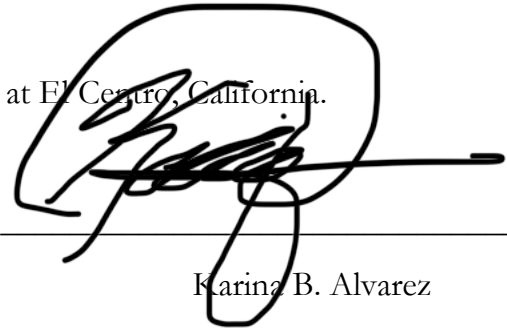
Verification

I, Karina B. Alvarez, declare:

I am the elected Auditor-Controller for the County of Imperial, and am the Plaintiff and Petitioner in the above-captioned case. I have read the foregoing Petition for Writ of Mandate and Complaint for Declaratory and Injunctive Relief and know the contents thereof. The contents of these papers are known to me to be true except those matters alleged on information and belief, and as to those matters, I believe them to be true.

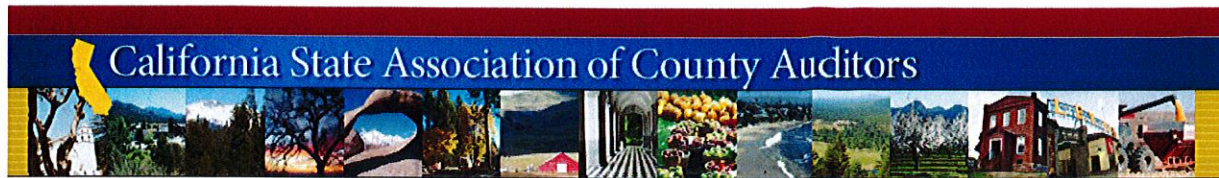
I declare under penalty of perjury of the State of California that the foregoing is true and correct.

Executed this 17th day of July 2025 at El Centro, California.



Karina B. Alvarez

## EXHIBIT A



August 29, 2018

The Honorable Edmund G. Brown, Jr.  
Governor of California  
State Capitol  
Sacramento, California 95814

RE: CO-SPONSOR – AB 3068 (Daly) County government: contract legal counsel: auditor-controller  
REQUEST FOR SIGNATURE

Dear Governor Brown:

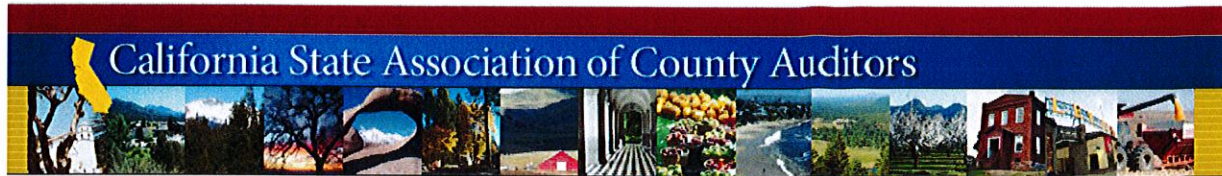
We respectfully request your signature on AB 3068 by Assembly Member Tom Daly and Principal Coauthors Assembly Member Sharon Quirk-Silva and Senator Patricia Bates.

The California State Association of county Auditors (CalSACA) represents County Auditor-Controllers from all 58 counties in California, both elected and appointed. Pursuant to Government Code, Auditor-Controllers fill the role of providing independent oversight for the expenditure of public funds and aid in maintaining the public trust.

The legislative changes proposed in AB 3068 will assist Auditor-Controllers by providing a means to obtain independent legal counsel. In the role of independent oversight, the Auditor-Controller reviews claims for payment against the county for compliance with county policies and applicable laws. Current law subjects Auditor-Controllers to personal liability if they pay illegal charges or claims. However, existing law also subjects the Auditor-Controller to criminal liability for refusing to pay an illegal claim or charge, if the illegal charge or claim is presented by another governmental agency or elected official.

Independent legal counsel is necessary to maintain the separation of powers at the local level between the Board of Supervisors (legislative branch) and the Auditor's Office (executive branch). The Board of Supervisors retains legal counsel, specifically County Counsel. For most circumstances, when the legislative and executive branches are not in conflict, County Counsel can meet the needs of both without conflict. However, when there are differing opinions regarding the legality of the payment of a claim, an independent legal opinion for the Auditor-Controller's Office is necessary to resolve the conflict and maintain the separation of powers. AB 3068 would provide the mechanism to maintain the separation of powers that we see at all other levels of our government.

In conjunction with the Orange County Auditor-Controller, CalSACA co-sponsors AB 3068, which helps resolve the inherent conflict of interest that occasionally occurs between legal counsel for the Board of Supervisors and County Auditors. Additionally, the members of CalSACA listed below also individually support AB 3068. As stated, CalSACA represents both elected and appointed Auditor-Controllers across the state. CalSACA co-sponsors AB 3068, and at this time, we also state the individual support of the Auditor-Controllers whose names appear below for the public legislative record, and respectfully request your signature on AB 3068.



Co-Sponsor AB 3068 – County government: contract legal counsel: auditor-controller

REQUEST FOR SIGNATURE

August 29, 2018

Page 2

Carol McElroy, Alpine County  
Tacy Rouen, Amador County  
David Houser, Butte County  
Rebecca Callen, Calaveras County  
Peggy Scroggins, Colusa County  
Clinton Schaad, Del Norte County  
Joe Harn, El Dorado County  
Oscar Garcia, Fresno County  
Edward J. Lamb, Glenn County  
Doug Newland, Imperial County  
Mary B. Bedard, Kern County  
Cathy Saderlund, Lake County  
Diana Wemple, Lassen County  
Todd E. Miller, Madera County  
Deborah Isaacs, Mariposa County  
Lloyd Weer, Mendocino County  
Lisa Cardella-Presto, Merced County  
Stephanie Wellemeyer, Modoc County  
Janet Dutcher, Mono County  
Michael J. Miller, Monterey County  
Tracy Schulze, Napa County  
Marcia L. Salter, Nevada County  
Eric Woolery, Orange County

Andrew Sisk, Placer County  
Roberta M. Allen, Plumas County  
Paul Angulo, Riverside County  
Joe Paul Gonzalez, San Benito County  
Oscar Valdez, San Bernardino County  
Jim Erb, San Luis Obispo County  
Juan Raigoza, San Mateo County  
Theo Fallati, Santa Barbara County  
Edith Driscoll, Santa Cruz County  
Brian Muir, Shasta County  
Van Maddox, Sierra County  
Jennie Ebejer, Siskiyou County  
Simona J. Padilla-Scholtens, Solano County  
Lauren Klein, Stanislaus County  
Nathan Black, Sutter County  
LeRoy M. Anderson, Tehama County  
Angela Bickle, Trinity County  
Cass Cook, Tulare County  
Debi Bautista, Tuolumne County  
Jeff Burgh, Ventura County  
Howard Newens, Yolo County  
Richard Eberle, Yuba County

CalSACA respectfully requests your signature on AB 3068, and these above members of CalSACA individually also respectfully request your signature on AB 3068.

Sincerely,

A handwritten signature in blue ink that reads "Andrew C. Sisk".

Andrew Sisk  
CalSACA President

EXHIBIT B





# BOARD AGENDA FACT SHEET

CLERK USE ONLY

BOS ACTION

# \_\_\_\_\_

Executive Office

04/22/2025

Department

Requested Board Date

## 1. Request:

Board Approval

✓

Information  
Only/Presentation  
Scheduled Hearing  
Time: \_\_\_\_\_

Other (specify)  
\_\_\_\_\_

## 2. Requested Action: Type requested action below

- 1) Adopt Resolution of the Board of Supervisors of the County of Imperial expressing a vote of "No Confidence" in the Job Performance of the Imperial County Auditor-Controller and provide applicable direction.
- 2) Approve to rescind/eliminate the Job Description of the Auditor/Controller within the County of Imperial's Human Resources & Risk Management Filings, solely referring to duties statutorily established through California Government Code, Revenue & Taxation Code, and other relevant state codes.
- 3) Approve to amend the Job Description of the Assistant Auditor/Controller.

3. Cost \$ 0

Source: N/A



4. If approval of Contract, reviewed/approved by County Counsel on: \_\_\_\_\_

By: N/A

Action Request # N/A  
*Assigned by County Counsel's Office*

5. If approval of position allocation change, reviewed by Human Resources on: N/A

By: N/A

6. Electronic copy submittal date: \_\_\_\_\_ By: \_\_\_\_\_

Department Head/Agency Representative

**INSTRUCTIONS:** Back-up must be submitted **15 BUSINESS days** prior to requested date (Please note a Holiday counts as a Business day.) Back-up submitted must contain an **Original and 2 copies**. Copies must be submitted to the County Executive Office double sided and three (3) hole punched. Back-up must be submitted in a PDF format to [vanessasalcido@co.imperial.ca.us](mailto:vanessasalcido@co.imperial.ca.us) and [gracielaalvarez@co.imperial.ca.us](mailto:gracielaalvarez@co.imperial.ca.us)

Reviewed By: \_\_\_\_\_  
Deputy CEO

Reviewed By: \_\_\_\_\_  
Deputy CEO

CEO/CLERK USE ONLY:

DATE STAMP

BOARD DATE: 4/22/25

Action ✓

Filing \_\_\_\_\_

Consent \_\_\_\_\_

Presentation \_\_\_\_\_

Hearing \_\_\_\_\_

CEO Approval \_\_\_\_\_

Other (specify) \_\_\_\_\_

CEO

4/17/25  
Date

COUNTY EXECUTIVE OFFICE

**Rebecca Terrazas-Baxter**

Assistant County Executive Officer

[rebeccaterrazas-baxter@co.imperial.ca.us](mailto:rebeccaterrazas-baxter@co.imperial.ca.us)

[www.co.imperial.ca.us](http://www.co.imperial.ca.us)



County Administration Center

940 Main Street, Suite 208

El Centro, CA 92243

Tel: 442-265-1001

Fax: 442-265-1010

April 22, 2025

Honorable Board of Supervisors

County of Imperial

940 West Main Street

**SUBJECT: Auditor/Controller Resolution and Job Description Changes**

Dear Honorable Board Members:

**Requested Board Action:**

- 1) Adopt Resolution of the Board of Supervisors of the County of Imperial expressing a vote of “No Confidence” in the Job Performance of the Imperial County Auditor-Controller and provide applicable direction.
- 2) Approve to rescind/eliminate the Job Description of the Auditor/Controller within the County of Imperial’s Human Resources & Risk Management Filings, solely referring to duties statutorily established through California Government Code, Revenue & Taxation Code, and other relevant state codes.
- 3) Approve to amend the Job Description of the Assistant Auditor/Controller.

**Background:**

The Board of Supervisors of the County of Imperial has been made aware of actions and duties left unfulfilled by Ms. Karina B. Alvarez, Auditor-Controller, an official of the County of Imperial, such as numerous issues related to the lack of timely and accurate financial reporting and inability to effectively collaborate with departments and staff, which has placed the County and departments in an unmanageable financial position. Additionally, the Board of Supervisors has been made aware of numerous issues related to the management and disbursement of public funds by the Auditor-Controller.

The Board of Supervisors has consulted with Counsel and coordinated corrective actions to protect the interest and integrity of the County, leading to the requested action above, including, but not limited to, the desire of the Board to express “no confidence” in the job performance of the Auditor-Controller, Karina B. Alvarez, formally rescind or eliminate the Job Description of the Auditor/Controller within the County of Imperial’s Human Resources & Risk Management Filings, thereby solely referring to duties statutorily established through California Government Code, Revenue & Taxation Code, and other relevant state codes, and amending the Job Description of the Assistant Auditor/Controller to work under general direction and act as the Chief Operations Officer for Imperial County’s Auditor/Controller’s Office, including assigning responsibility for all employee supervision and management functions within the Office.

*“Establishing Direction. Creating Opportunity.”*

AN EQUAL OPPORTUNITY/AFFIRMATIVE ACTION EMPLOYER

**Fiscal Impact:**

There is no anticipated fiscal impact to the County General Fund to take the above requested actions.

Sincerely,



Rebecca Terrazas-Baxter  
Assistant County Executive Officer

*"Establishing Direction, Creating Opportunity"*

AN EQUAL OPPORTUNITY/AFFIRMATIVE ACTION EMPLOYER



**RESOLUTION OF THE BOARD OF SUPERVISORS OF THE COUNTY OF IMPERIAL  
EXPRESSING A VOTE OF “NO CONFIDENCE” IN THE JOB PERFORMANCE OF THE  
IMPERIAL COUNTY AUDITOR-CONTROLLER**

**RESOLUTION NO. \_\_\_\_\_**

**WHEREAS**, pursuant to Government Code Section 25303, the Board of Supervisors is responsible for the supervision of all county officers, particularly as it relates to management and disbursement of public funds; and

**WHEREAS**, this power to ensure that county officers faithfully perform their duties applies to appointed and elected officials, *People v. Langdon* (1976) 54 Cal.App.3d 384, 390; and

**WHEREAS**, a vote of no confidence is a legislative act, within the inherent authority of the Board of Supervisors; and

**WHEREAS**, this proceeding, actions, and associated discussions are conducted under the official proceeding privilege of Civil Code section 47; and

**WHEREAS**, the County of Imperial believes working together achieves results, and that best results are only achieved through collaboration and successful integration of services between departments, especially in circumstances where one agency is reviewing the work of others; and

**WHEREAS**, county departments rely on collaboration to maintain financial records and have reports submitted timely in order to draw down resources and ensure regulatory compliance; and

**WHEREAS**, the Auditor-Controller’s Office is a vital office through which all county financial transactions must be channeled and is the only agency that ensures the single audit is complete, financial transactions are submitted, and certain other documentation completed on behalf of the County; and

**WHEREAS**, the Board of Supervisors has been made aware of numerous issues related to the lack of timely and accurate financial reporting and inability to effectively collaborate with departments and staff, which has placed the county and departments in an unmanageable financial position; and

**WHEREAS**, the Board of Supervisors has been made aware of numerous issues related to the management and disbursement of public funds by the Auditor-Controller and those among other issues are further explained and detailed in the agenda report of this same date and incorporated herein by reference; and

**WHEREAS**, due to these documented deficiencies, the Board of Supervisors wishes to express “no confidence” in the job performance of the Auditor-Controller, Karina B. Alvarez.

**NOW, THEREFORE, IT IS RESOLVED:** that the Board of Supervisors of the County of Imperial does hereby express “No Confidence” in the job performance of the Auditor-Controller Karina B. Alvarez, for the reasons expressed in this Resolution and the incorporated related agenda discussion.

///

///

///

**PASSED, APPROVED AND ADOPTED** at a regular meeting of the Board of Supervisors of the County of Imperial held on April 22, 2025 by the following roll call votes:

Ayes\_\_\_\_; Nays\_\_\_\_; Abstain\_\_\_\_; Absent\_\_\_\_

**IMPERIAL COUNTY, CALIFORNIA**

\_\_\_\_\_  
**John Hawk**, Chairman of the Board

**ATTEST:**

\_\_\_\_\_  
**Cynthia Medina**, Assistant Clerk of the Board

Below are operational and management issues that have been identified in the Auditor-Controller's Office since Fall 2022 that highly concern the Imperial County Board of Supervisors that the Imperial County Auditor-Controller is not meeting her fiduciary obligations and not acting in the best interest of the County of Imperial.

### **Financial Statements**

- More than a year late submission of Annual Comprehensive Financial Report (ACFR) FY 2021-22 and Single Audit FY 2021-22.
  - The ACFR is also referred to as the "countywide audit," and the "single audit."
- More than a year late submission of ACFR FY 2022-2023, due December 2023, and Single Audit FY 2022-23, due March 31, 2024.
- Has not yet completed ACFR FY 2023-2024, due December 2024, and Single Audit FY 2023-24, due March 31, 2025.
  - Continuous late submissions can put a county government's bond rating at risk.
- Late audits may result in significant effects on departments (and, at times, partner agencies) relying on federal grant funding.
  - At least one county department has reported that they had to forfeit an award of a \$500,000 federal grant due to the delays of completing the 2023 single audit
- Cash accounts are not monitored daily to control any negative cash balances.
  - This would help to identify and address issues in a timely manner, instead of waiting until the annual audit is conducted, thereby delaying the preparation of the financial statements and completion/submission of the countywide audit and single audit.

### **Property Taxes**

- Discrepancies with property tax allocations for some school districts and special districts, such as:
  - An incorrect bond payment to a school district, and
  - Lack of direction regarding the results of a State Controller's Office audit for apportionment and allocation of Qualified Electric revenues, resulting in the collection of overpayment with multiple special districts without prior communication with or notification to the affected district(s), potentially affecting budget planning for the respective agency(ies).
- Incorrectly preparing an electronic report for an educational institution, inputting the Educational Revenue Augmentation Fund (ERAF) as a positive instead of a negative, leading to a calculation that was off by \$2.1 million.

### **Cost Plan and State Mandated Cost Claim**

- Submitted an incomplete Cost Plan to meet 30-day extended deadline that was granted, with the intention to submit revisions or an amendment.
  - The current status of the Cost Plan revisions is unknown. The cost plan and state mandated cost claim are important documents for when applying for grants and are important sources of revenue for the general fund.

### **Statutory Dates**

- Lack of regard for the statutory due dates that the Auditor-Controller's office, and other County departments, which rely on information from the Auditor-Controller's office, must adhere to due to the fiduciary obligations as a county government.

### **Other Observations**

- Ignores the Board of Supervisors' requests for written Board reports and timetables detailing progress on late audits and future milestones.
- Extended processing time for accounts payable from five (5) business days to three (3) to four (4) weeks.
- High employee turnover rate, including the departure of most long-serving employees with institutional knowledge that have left for other departments or another agency/entity.
- Late payments of County's telecommunications accounts leading to the temporary disconnection of service and inability for the public to reach County departments.
- Lack of internal control and policy for checking payment portals.
  - Incorrect amounts are being paid for various telecommunications accounts or payments are credited to the wrong department's account.
- Excluding requested County Executive Office staff from being copied or included in email correspondence regarding an outstanding issue with a school district.

## IMPERIAL COUNTY

### CLASS TITLE: ASSISTANT AUDITOR-CONTROLLER

#### BASIC FUNCTION:

~~Under the direction of the Auditor-Controller general direction, assist in directing the day-to-day activities of the department; direct and participate in the conduct of audits and the preparation of a variety of reports; perform a variety of accounting functions and direct the department in the absence of the department head; train, supervise and evaluate assigned personnel. the incumbent in this position acts as the Chief Operations Officer for the County Auditor Controller's Office and is responsible for all employee supervision and management functions within the Office.~~

#### REPRESENTATIVE DUTIES:

Plan, organize and direct the day-to-day activities of the department; assist in directing departmental operations and act for the department head in his/her absence or as required.

Plan and direct the Audit and Social Services-Auditor sections of the department; review work products, perform corrections as needed and provide recommendations; conduct audits and submit audit reports to the Board of Supervisors.

Direct and participate in the preparation of a variety of State and County records and reports including the annual State Controller's Report, Report of Court Operations, Tax Anticipation Notes and various County financial statements.

Train, supervise and evaluate the performance of assigned personnel, prioritize and delegate assignments and direct the department in the absence of the department head.

Provide assistance and information to outside auditors and County officials regarding County fiscal operations, financial reports, policies and requirements.

Direct and participate in the preparation of annual cost allocation plans and annual reports of financial transactions involving Special Districts under the control of the Board of Supervisors.

Review and design systems and procedures for County departments including forms and instructions to improve system efficiency and resolve concerns and questions.

Direct and participate in a variety of accounting functions including preparing journal entries and establishing new accounts and funds; assist other sections of the department as needed.

Meet and confer with County and State personnel and the public to discuss reports, accounting procedures, concerns and questions; conduct presentations with the Board of Supervisors and the public as needed.

Prepare and distribute Requests for Audit proposals to Certified Public Accountant firms; review audit reports on Special Districts and County departments or other reports prepared by CPA firms or by the State.

Review reports and claims from County departments; review and verify totals on Social Services Department administrative costs claims to assure accurate reimbursement by the State; submit results to the State Controller's Office.

Conduct and direct audits of lease agreements; conduct and direct the cash counts of various

Monitor trust and agency funds to assure collection and disbursement of funds in accordance with laws, rules and regulations.

Operate a variety of machinery and equipment including an automobile and personal computer.

Perform related duties as assigned.

**KNOWLEDGE AND ABILITIES:**

**KNOWLEDGE OF:**

Complex governmental accounting principles, practices and procedures.  
Revenue and taxation codes.  
Generally Accepted Accounting Principles applicable to County fiscal operations.  
Preparation and analysis of complex financial statements and reports.  
Accounting and auditing principles, practices and procedures.  
Laws, rules and regulations related to assigned activities.  
Principles and practices of administration, supervision and training.  
Interpersonal skills using tact, patience and courtesy.  
Technical aspects of the Auditor-Controller field.  
Oral and written communication skills.  
County organization, operations, policies and objectives.

**ABILITY TO:**

Plan, organize and direct complex accounting and auditing operations.  
Prepare and analyze comprehensive accounting reports.  
Read, interpret, apply and explain rules, regulations, policies and procedures.  
Maintain current knowledge of program rules, regulations, requirements and restrictions.  
Prepare detailed financial reports, manuals and instructions.  
Analyze situations accurately and adopt an effective course of action.  
Train, supervise and evaluate personnel.  
Plan and organize work.  
Meet schedules and time lines.  
Operate a computer terminal to enter data, maintain records and generate reports.  
Establish and maintain cooperative and effective relationships with others.  
Observe legal and defensive driving practices.

**EDUCATION AND EXPERIENCE:**

Bachelor's degree in accounting, finance, public or business administration and four years of professional accounting experience.

**LICENSES AND OTHER REQUIREMENTS:**

Valid California Driver's license.

**WORKING CONDITIONS:**

Office environment; subject to driving vehicle to conduct work.

Physical abilities required include seeing to drive a vehicle and speaking to exchange information and make presentations.

EXHIBIT C

COUNTY EXECUTIVE OFFICE

**Rebecca Terrazas-Baxter**  
Assistant County Executive Officer  
[rebeccaterrazas-baxter@co.imperial.ca.us](mailto:rebeccaterrazas-baxter@co.imperial.ca.us)  
[www.co.imperial.ca.us](http://www.co.imperial.ca.us)



County Administration Center  
940 Main Street, Suite 208  
El Centro, CA 92243  
Tel: 442-265-1001  
Fax: 442-265-1010

MEMORANDUM

TO: Karina Alvarez, Auditor-Controller

FROM: Rebecca Terrazas-Baxter, Assistant County Executive Officer

DATE: May 14, 2025

SUBJECT: Notice of Temporary Office Location

This memorandum serves as notice that effective Thursday, May 15, 2025, your office location will be temporarily moved to a private office at 852 Broadway Street, El Centro, CA (Agricultural Commissioner) for the next 90 days, or up to August 16, 2025. You are to report ONLY to the new location as your place of work. In consideration of your temporary relocation, your designated parking space will also be relocated. You may also perform your work remotely. This relocation is not punitive in nature.

The County has made these temporary relocation arrangements to allow it to assess prospective corrective measures based on the preliminary results of a Work Climate Assessment conducted May 9-12, 2025.

The Work Climate Assessment reveals that the staff in the Auditor-Controller's office have significant concerns about a lack of leadership, poor communication, uncomfortable work environment and fearful of retaliation from you as the department leader. Therefore, the County is taking this action as an interim measure while the Assessment is in progress, and a plan is developed to move the Auditor-Controller's office forward to a more productive and respectful work environment. Dr. Debra Dupree will interview you as part of the Work Climate Assessment and development of a corrective action plan. You will receive a separate notification for this meeting.

During the 90-day period, your communication with the Auditor-Controller Department is ONLY through Assistant Auditor-Controller Edith Anaya. You are to have no direct communication or contact (in-person, email, text, telephone, cellphone) with Auditor-Controller staff. This directive is not intended to impact your ability to perform your statutory duties as only the physical location of your work is temporarily changing. Any inquiries or requests to Auditor-Controller staff must be directed to Ms. Anaya, who will be responsible for communicating and/or responding to your requests or inquiries.

If you have any concerns that this arrangement is preventing you from fulfilling specific duties, please contact me directly so that I can address your concerns.

*"Establishing Direction, Creating Opportunity"*

AN EQUAL OPPORTUNITY/AFFIRMATIVE ACTION EMPLOYER



EXHIBIT D



13-Jun-2025 | 14:21 EDT

# Imperial County, CA COP Rating Lowered To 'BBB' From 'A-' On Financial Performance, Management Risks; Outlook Negative

[View Analyst Contact Information](#)

- S&P Global Ratings**
- S&P Global Ratings lowered its underlying rating (SPUR) to 'BBB' from 'A-' on Imperial County, Calif.'s certificates of participation (COPs) outstanding and removed it from CreditWatch, where it had been placed with negative implications on March 4, 2025.
  - The outlook is negative.
  - The CreditWatch removal reflects receipt of audited fiscal 2023 financial statements that we view as sufficient under our information standards.
  - The downgrade reflects the county's weak financial performance, negative available reserves, and our view of management and governance risks evident in successive late financial audits and turnover in key management roles.
  - The rating reflects the application of our criteria, "**Methodology For Rating U.S. Governments**," published Sept. 9, 2024, on RatingsDirect.

SAN FRANCISCO (S&P Global Ratings) June 13, 2025--S&P Global Ratings today took the rating actions listed above.

We consider multiple years of delayed financial audits and turnover in key management roles to be evidence of elevated governance risks in the areas of transparency and reporting and governance structure. We note that the Board of Supervisors recently appointed a new county executive officer (CEO) after the prior CEO and board clerk were dismissed in closed session on April 8. The reason for the dismissals has not been made public, which in our view diminishes transparency into the county's governance and financial oversight and any related issues that may persist. The county has a pattern of publishing financial audits late, from at least fiscal 2021 to fiscal 2023. The current auditor-controller attributed persistent late audits to personnel changes, difficulty in finding a qualified auditor, delays on the auditing team, and GASB complexity. The assistant auditor-controller aims to have the fiscal 2024 audit finalized by September 2025. The county is on track to review its fiscal 2026 recommended budget in June 2025 and plans to adopt a fiscal 2026 budget by the end of September 2025.

We consider Imperial County's exposure to acute physical risks such as drought, extreme heat, seismic risk, and water stress. Drought can have a significant effect on agricultural output in the county; however, we note that the Imperial Irrigation

**S&P Global Ratings**  
District, which serves Imperial County, holds federal perfected water rights and mitigates drought and water stress risks. We note that state building codes somewhat mitigate seismic risks, and that the county is actively pursuing development of lithium resources, which could present an economic growth opportunity over the long term in the transition to a low-carbon economy.

We view Imperial County's social risk as neutral in our credit rating analysis.

For more information on our approach to evaluating ESG risks and opportunities, see **"Through The ESG Lens 3.0: The Intersection Of ESG Credit Factors And U.S. Public Finance Credit Factors,"** published March 2, 2022.

Environmental, social, and governance (ESG) credit factors for this change in credit rating/outlook and/or CreditWatch status:

- Transparency and reporting
- Governance structure

The negative outlook reflects a one-in-three chance that we could lower the rating--potentially by multiple notches--in the next two years if performance does not conform to management's expectations; if operating deficits persist, leading to a material weakening of available reserves or liquidity; or if the county is unable to release its audited 2024 annual financial report by December 2025.

We could lower the rating should the county not make budgetary adjustments sufficient to put it on the path to rebuilding its reserves, balancing its budget, and eliminating or reducing general fund support of its other governmental and enterprise funds, in particular its landfill. We could lower the rating if the county continues to experience delayed audits, or we could withdraw the rating if we believe information is insufficiently timely or transparent.

We could revise the outlook to stable should the county's actual financial performance meets management's expectations of balanced operations and if the county adopts and implements a plan that we believe will position it to recover costs

Certain terms used in this report, particularly certain adjectives used to express our view on rating relevant factors, have specific meanings ascribed to them in our criteria, and should therefore be read in conjunction with such criteria. Please see Ratings Criteria at <https://disclosure.spglobal.com/ratings/en/regulatory/ratings-criteria> for further information. A description of each of S&P Global Ratings' rating categories is contained in "S&P Global Ratings Definitions" at <https://disclosure.spglobal.com/ratings/en/regulatory/article/-/view/sourcelid/504352>. Complete ratings information is available to RatingsDirect subscribers at [www.capitaliq.com](http://www.capitaliq.com). All ratings referenced herein can be found on S&P Global Ratings' public website at [www.spglobal.com/ratings](http://www.spglobal.com/ratings).

### **European Endorsement Status**

Global-scale credit rating(s) issued by S&P Global Ratings' affiliates based in the following jurisdictions [**To read more, visit Endorsement of Credit Ratings**] have been endorsed into the EU and/or the UK in accordance with the relevant CRA regulations. Note: Endorsements for U.S. Public Finance global-scale credit ratings are done per request. To review the endorsement status by credit rating, visit the [spglobal.com/ratings](http://spglobal.com/ratings) website and search for the rated entity.

*No content (including ratings, credit-related analyses and data, valuations, model, software, or other application or output therefrom) or any part thereof (Content) may be modified, reverse engineered, reproduced, or distributed in any form by any means, or stored in a database or retrieval system, without the prior written permission of Standard & Poor's Financial Services LLC or its affiliates (collectively, S&P). The Content shall not be used for any unlawful or unauthorized purposes. S&P and any third-party providers, as well as their directors, officers, shareholders, employees, or agents (collectively S&P Parties) do not guarantee the accuracy, completeness, timeliness, or availability of the Content. S&P Parties are not responsible for any errors or omissions (negligent or otherwise), regardless of the cause, for the results obtained from the use of the Content, or for the security or*

~~maintenance~~ of any data input by the user. The Content is provided on an “as is” basis. **S&P Global** <sup>Ratings</sup> PARTIES DISCLAIM ANY AND ALL EXPRESS OR IMPLIED

WARRANTIES, INCLUDING, BUT NOT LIMITED TO, ANY WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE OR USE, FREEDOM FROM BUGS, SOFTWARE ERRORS OR DEFECTS, THAT THE CONTENT’S FUNCTIONING WILL BE UNINTERRUPTED, OR THAT THE CONTENT WILL OPERATE WITH ANY SOFTWARE OR HARDWARE CONFIGURATION. In no event shall S&P Parties be liable to any party for any direct, indirect, incidental, exemplary, compensatory, punitive, special or consequential damages, costs, expenses, legal fees, or losses (including, without limitation, lost income or lost profits and opportunity costs or losses caused by negligence) in connection with any use of the Content even if advised of the possibility of such damages.

Some of the Content may have been created with the assistance of an artificial intelligence (AI) tool. Published Content created or processed using AI is composed, reviewed, edited, and approved by S&P personnel.

Credit-related and other analyses, including ratings, and statements in the Content are statements of opinion as of the date they are expressed and not statements of fact. S&P’s opinions, analyses, and rating acknowledgment decisions (described below) are not recommendations to purchase, hold, or sell any securities or to make any investment decisions, and do not address the suitability of any security. S&P assumes no obligation to update the Content following publication in any form or format. The Content should not be relied on and is not a substitute for the skill, judgment, and experience of the user, its management, employees, advisors, and/or clients when making investment and other business decisions. S&P does not act as a fiduciary or an investment advisor except where registered as such. While S&P has obtained information from sources it believes to be reliable, S&P does not perform an audit and undertakes no duty of due diligence or independent verification of any information it receives. Rating-related publications may be published for a variety of reasons that are not necessarily dependent on action by rating committees, including, but not limited to, the publication of a periodic update on a credit rating and related analyses.

**S&P Global** <sup>Ratings</sup> ~~To the extent~~ that regulatory authorities allow a rating agency to acknowledge in one jurisdiction a rating issued in another jurisdiction for certain regulatory purposes,

S&P reserves the right to assign, withdraw, or suspend such acknowledgement at any time and in its sole discretion. S&P Parties disclaim any duty whatsoever arising out of the assignment, withdrawal, or suspension of an acknowledgment as well as any liability for any damage alleged to have been suffered on account thereof.

S&P keeps certain activities of its business units separate from each other in order to preserve the independence and objectivity of their respective activities. As a result, certain business units of S&P may have information that is not available to other S&P business units. S&P has established policies and procedures to maintain the confidentiality of certain nonpublic information received in connection with each analytical process.

S&P may receive compensation for its ratings and certain analyses, normally from issuers or underwriters of securities or from obligors. S&P reserves the right to disseminate its opinions and analyses. S&P's public ratings and analyses are made available on its Web sites, [www.spglobal.com/ratings](http://www.spglobal.com/ratings) (free of charge), and [www.ratingsdirect.com](http://www.ratingsdirect.com) (subscription), and may be distributed through other means, including via S&P publications and third-party redistributors. Additional information about our ratings fees is available at [www.spglobal.com/usratingsfees](http://www.spglobal.com/usratingsfees).

Any Passwords/user IDs issued by S&P to users are single user-dedicated and may ONLY be used by the individual to whom they have been assigned. No sharing of passwords/user IDs and no simultaneous access via the same password/user ID is permitted. To reprint, translate, or use the data or information other than as provided herein, contact S&P Global Ratings, Client Services, 55 Water Street, New York, NY 10041; (1) 212-438-7280 or by e-mail to: [research\\_request@spglobal.com](mailto:research_request@spglobal.com).

---

# **Contact the analysts:**

**Cenisa C Gutierrez**

Primary Contact, San Francisco

**P. 510-206-8913**

**E. [cenisa.gutierrez@spglobal.com](mailto:cenisa.gutierrez@spglobal.com)**

**Chris Morgan**

Secondary Contact, San Francisco

**P. 415-371-5032**

**E. [chris.morgan@spglobal.com](mailto:chris.morgan@spglobal.com)**



EXHIBIT E

## COUNTY EXECUTIVE OFFICE

**Rebecca Terrazas-Baxter**

Assistant County Executive Officer

[rebeccaterrazas-baxter@co.imperial.ca.us](mailto:rebeccaterrazas-baxter@co.imperial.ca.us)

[www.co.imperial.ca.us](http://www.co.imperial.ca.us)



County Administration Center

940 Main Street, Suite 208

El Centro, CA 92243

Tel: 442-265-1001

Fax: 442-265-1010

### MEMORANDUM

TO: Karina Alvarez, Auditor-Controller

FROM: Rebecca Terrazas-Baxter, Assistant County Executive Officer

DATE: June 30, 2025

SUBJECT: Notice of Temporary Office Location

This memorandum serves as a follow-up notice regarding your temporary office location. As you are aware, you were previously reassigned for a period of 90-days to a different office location to allow the County to complete a Work Climate Assessment. Since then, the County received communication from your attorney, Gilbert Otero, that you would not be meeting with Dr. Dupree at any time. In addition, Mr. Otero informed the County that you could not be ordered to attend any meeting by any Board, Department or individual board member.

The County has respected and accepted your decision not to participate in the Work Climate Assessment and to contribute towards the development of a corrective action plan. However, without your participation in the Work Climate Assessment, it prevents the County from addressing the concerns expressed by staff of the Auditor-Controller's office and from developing a corrective action plan.

Therefore, be advised that your temporary office location will be extended for an additional ninety (90) days. Your office location will continue to be located at 852 Broadway Street, El Centro, CA (Agricultural Commissioner) up to November 14, 2025. You are to report ONLY to the new location as your place of work. Your designated parking space has also been relocated. You may also perform your work remotely. This relocation is not punitive in nature but instead intended to allow the County an opportunity to conduct the Work Climate Assessment without fear of potential retaliation towards staff.

The County continues to invite you to meet with Dr. Debra Dupree to participate in the Work Climate Assessment so that a collaborative corrective action plan can be developed in which all staff can work in a place that is rewarding and respectful.

During this temporary relocation, your communication with the Auditor-Controller Department is ONLY through Assistant Auditor-Controller Edith Anaya. You are to have no direct communication or contact (in-person, email, text, telephone, cellphone) with Auditor-Controller staff. This directive is not intended to impact your ability to perform your statutory duties as only the physical location of your work is temporarily changing.

*"Establishing Direction, Creating Opportunity"*

AN EQUAL OPPORTUNITY/AFFIRMATIVE ACTION EMPLOYER

Any inquiries or requests to Auditor-Controller staff must be directed to Ms. Anaya, who will be responsible for communicating and/or responding to your requests or inquiries.

If you have any concerns that this arrangement is preventing you from fulfilling specific duties, please contact me directly so that I can address your concerns.

*"Establishing Direction, Creating Opportunity"*

AN EQUAL OPPORTUNITY/AFFIRMATIVE ACTION EMPLOYER