



NEVADA COUNTY GRAND JURY

**2017 – 2018
Final Report**

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NEVADA COUNTY GRAND JURY

Eric Rood Administration Center
950 Maidu Avenue
Nevada City, California 95959
Telephone: 530-265-1730
Email: grandjury@nccourt.net

11 June 2018

The Honorable Thomas Anderson
Supervising Judge of the Nevada County Grand Jury
Superior Court of Nevada County
201 Church Street
Nevada City, California 95959

To Judge Anderson and the citizens of Nevada County:

In compliance with the California Constitution and in accordance with California Penal Code Section 933(a), the 2017-2018 Nevada County Grand Jury is honored to present its Final Report to you and the citizens of Nevada County.

The Grand Jury is responsible for overseeing the legislative and administrative departments that make up county and city governments and special districts in Nevada County. We investigate those organizations to evaluate their efficiency, honesty, fairness, and dedication to serving the public. The Grand Jury extends its sincere appreciation to each of those organizations for their cooperation, patience, and prompt responses to all requests for information.

The Grand Jury receives formal complaints from citizens who allege government inefficiencies, mistreatment by officials, or who voice suspicions of misconduct. Anyone may ask that the Grand Jury conduct an investigation on agencies or departments within the Grand Jury's jurisdiction. Of the 33 citizen complaints received this year, 20 were investigated, nine were closed with no action taken, and four were forwarded to the next Jury because they were received too late in the jury year to sufficiently investigate. Reasons for taking no action on a citizen complaint included:

- the investigation resulted in insufficient facts to substantiate the complaint,
- the complaint concerned a subject that is out of the Grand Jury's jurisdiction, or
- the subject of the complaint had already been rectified.

In addition, the Grand Jury conducted 27 preliminary inquiries and formally investigated eight issues. Two investigations were closed without action, three resulted in reports, and three were recommended to the next Grand Jury for follow-up.

Our Final Report contains three investigative reports with the following titles:

- *A Sally Port is Needed at the Truckee Branch of the Nevada County Superior Court,*
- *Safety and Security at Nevada County Schools, and*
- *Will the Public Suffer Because of Unfunded Pension Liabilities?*

As required by the Penal Code (§919(b)), the Grand Jury inspected the detention facilities in the County to “inquire into the conditions and management of the public prisons within the county.” The *2017-2018 Detention Facility Inspection Report* is included in the Final Report.

To perform the work of the Grand Jury, the members are divided into six investigative committees that focus on specific areas of the County:

- Finance,
- Health and Environment,
- Law Enforcement,
- Local Governments,
- Schools and Libraries, and
- Special Districts.

Each of the committees meet weekly throughout the jury year to conduct their investigations. Jurors also spend a considerable amount of time performing research on their own.

In addition to the investigative committees, two other committees are essential to the operations of the Grand Jury. The Editorial committee members review reports to maintain formatting and language standards. They also provide feedback to the committees about the effectiveness of the report from the perspective of the intended audience. The Community Outreach committee maintains a relationship with the media and service organizations to publicize the Grand Jury. Presentations were given to a number of community groups including the Grass Valley Kiwanis, the Truckee Rotary, the Nevada City Rotary, and the League of Women Voters, along with a very successful Open House in April. They all generated a number of applications to join the Grand Jury.

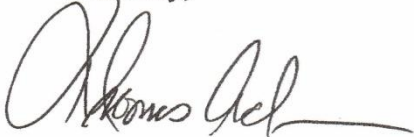
The Final Report is the result of dedicated work performed by the members of the Grand Jury. Our members volunteered a year of their time for public service to help improve local government, law and justice, health and social services, education, and administration throughout Nevada County on behalf of its citizens. The members applied their extensive and diverse experience to this challenge.

The Grand Jury could not have done its work without the assistance of its advisors:

- Supervising Judge of the Grand Jury Thomas Anderson,
- Deputy Jury Commissioner Audrey Golden, and
- Counsel to the Grand Jury Amanda Uhrhammer and other members of the County Counsel staff.

The ultimate goal of the Grand Jury is to make a positive difference in the lives of the citizens of Nevada County and the agencies that provide services to them. The Grand Jury is the “watchdog” for county residents in an attempt to ensure good government and make all agencies accountable for their actions and decisions. I believe that goal has been achieved. Nevada County and its citizens are well served by the work performed by this Grand Jury.

Sincerely,

A handwritten signature in black ink, appearing to read "Thomas Achter". The signature is fluid and cursive, with a long horizontal stroke at the end.

Thomas Achter, Foreperson
2017-2018 Nevada County Grand Jury

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About the Grand Jury

The Nevada County Grand Jury is a judicial body sanctioned by the Superior Court to act as an extension of the Court and the conscience of the community. The Jury is an investigative body created for the protection of society and enforcement of its laws. The conduct of the Jury is defined in California Penal Code Sections 888 through 945. Jurors operate under the jurisdiction of the Superior Court but function as an independent body.

A Grand Jury's function is to inquire into and review the conduct of county and city governments and special districts. It is also authorized to inspect and audit the books, records, and financial expenditures of all agencies and departments under its jurisdiction to ensure funds are properly accounted for and legally spent. Jurors are citizens of all ages and different walks of life bringing their unique experiences, personalities, and abilities. All jurors are volunteers who must apply in writing and be interviewed. They are then selected by a panel of Superior Court Judges. Jurors spend many hours researching, reading, and attending meetings to monitor county and city government and special districts and overseeing appointed and elected officials.

The Grand Jury receives formal complaints from citizens who allege government inefficiencies, mistreatment by officials, or who voice suspicions of misconduct. Anyone may ask that the Jury conduct an investigation on agencies or departments within the Jury's jurisdiction. The Jury cannot be forced to undertake an inquiry it deems unnecessary or frivolous. The Jury may also investigate an issue or condition without receiving a formal complaint.

Members of the Grand Jury are sworn to secrecy and all Jury proceedings are secret. This secrecy guards the public interest and protects the confidentiality of sources. The minutes and records of Jury meetings cannot be subpoenaed or inspected by anyone.

Each juror must keep secret all evidence presented before the Grand Jury, anything said within the Jury, and the manner in which any juror may have voted on a matter. *The juror's oath of secrecy is binding for life.* It is a misdemeanor to violate the secrecy of the Jury. Successful performance of Jury duties depends upon the secrecy of all proceedings. A juror must not divulge any information concerning the testimony of witnesses or comments made by other jurors. The confidentiality of witnesses and complainants is critical.

A report may be written after many hours of fact-finding investigation conducted by the Grand Jury. A report can disclose inefficiency, unfairness, wrongdoing, and violations of public law and regulations by local governments and special districts. A report can also recognize positive aspects or provide information to the public. A report provides the mechanism for the Jury to make recommendations for change and request responses to ensure more efficient and lawful operation of government.

Reports and the responses to them may be found on the Grand Jury Reports website at <http://nccourt.net>. Click on **Grand Jury** in the left frame then on **Grand Jury Reports**.

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Members of the 2017-2018 Nevada County Grand Jury

<u>Administrative Board:</u>	Foreperson Foreperson Pro-Tem Business Manager Sergeant at Arms Administrative Secretary	Thomas Achter Gordon Mangel Lynn Mangel JoAnn Marie Gary Davis
<u>Committee Chairs:</u>	Community Relations Editorial Finance Health and Environment Law Enforcement Local Governments Schools and Libraries School Safety Special Districts	Thomas Achter Gary Davis Judith Cowles JoAnn Marie Terry Young Gordon Mangel Robert Ogden Scott Berry Scott Berry
<u>Members:</u>		Don Branson Damon DeCrow Bill Del Bonta Kay Edmonds Charlotte Hill Marilee Mullin Kelly Robyn John Tracy
<u>Members Unable to Complete Term:</u>		Susan Cox Lee Hentschel Margeret Rodda Mary Rosenberg Bill Wasil
<u>Legal Advisors to the Grand Jury:</u>	Supervising Judge of the Grand Jury Deputy Jury Commissioner County Counsel Counsel to the Grand Jury	Thomas Anderson Audrey Golden Alison Barratt-Green Amanda Uhrhammer

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Standing Committees on the Grand Jury

State law does not refer to Grand Jury committees. However, the Jury could not be effective if everything were handled by the Jury as a whole so the Jury ordinarily establishes committees. The Nevada County Grand Jury is divided into standing committees to handle investigative and administrative work. Other ad hoc committees may be formed as needed.

The functions of an investigative committee include the following.

1. Conduct the investigations assigned to the committee by the Grand Jury. The assignments may be the result of citizen complaints or topics the committee believes are important and has requested authorization to proceed from the Grand Jury.
2. Draft reports of the committee's completed investigations.
3. Prepare a summary, year-end report of its activities, including recommended avenues of investigation or follow up to be presented at the first committee meeting of the following year.
4. Keep the Grand Jury informed of all committee activities.

The following standing committees have been established.

The **Finance** committee investigates and reports on the accounts and records of county offices, departments, and functions. These include the cities and special districts within the County. Finance is also available to share its expertise with other committees in their investigations as needed. To fulfill the requirement to perform an independent audit of county finances, two members serve as members of the County Audit Committee.

The **Health and Environment** committee investigates programs and services operated directly by or under contract with the County Health and Human Services department (HHS). HHS deals with public assistance to adults and children, child protective services, conservatorship, and various programs that provide training and job placement assistance designed to assist citizens into productive lifestyles and away from public assistance. Health and Environment may also investigate issues relating to public health, environmental health, mental health, and substance abuse, as well as clinic services.

Penal Code Section 919(b) requires that the Grand Jury inquire into the condition and management of "public prisons" within the County. A "public prison" is a state-operated correctional facility. While an inquiry into the condition and management of public prisons is required, the Grand Jury is not required by the Penal Code to write a report following its inquiry. The **Law Enforcement** committee also considers all matters concerning law enforcement and public safety. As deemed necessary, the committee may investigate and report on the District Attorney, the County Probation Department, the Public Defender, the Sheriff, city police departments, and County or city emergency services and dispatch operations.

The **Local Governments** committee concerns itself with the investigation of the offices, departments, and functions of County and city governments that do not fall under the categories listed in other committee descriptions. This would include the administrative branches of County and city governments, airports and other transportation departments, parks and recreation departments, service areas, planning departments, public works departments, utility departments, and public libraries. Penal Code Section 925 requires the Grand Jury investigate and report on the operations, accounts, and records of the officers, departments, or functions of the County every year. Section 925 allows the investigation to be on a selective basis each year. This is the Grand Jury's only mandatory investigation and report.

The **Schools and Libraries** committee may review and investigate non-curricular issues in school districts, public schools, charter schools, and the County Office of Education. While the Grand Jury cannot discuss the merits of curriculum, it can investigate how curriculum is implemented. The committee may also review and investigate the public library system.

Penal Code Section 925a authorizes Grand Jury investigations and reports on any joint powers agency in the County and Penal Code Section 933.5 allows the Grand Jury to examine the books and records of the Local Agency Formation Commission (LAFCo) or any special-purpose assessing or taxing district located wholly or partly in the County. The **Special Districts** committee conducts these investigations. However, the scope of any investigation into special districts, including school districts, cannot involve the review of the district's policy decisions such as the evaluation or assignment of personnel or school district curriculum decisions. County Counsel can assist the Grand Jury in determining if an investigation would involve an improper review of policy matters. The committee may conduct a fiscal review of any district or agency that it investigates.

The **Editorial** committee has three major responsibilities: 1) to review, edit, and approve all reports submitted by investigative committees prior to acceptance by the entire Grand Jury; 2) to coordinate and manage the publication of the Grand Jury's Final Report; and 3) to review and, when appropriate, update the Grand Jury Handbook with the goal of providing continuity from one Grand Jury to the next. In early January, the committee presents to the Grand Jury a series of training sessions on report writing. Editorial reviews draft reports submitted by committees for adherence to the agreed-upon format, completeness, clarity, logic, and mechanics as well as providing feedback about the effectiveness of the report from the perspective of the intended audience.

The **Community Outreach** committee engenders interest in Grand Jury activities and maintains communication with the news media. The Grand Jury's effectiveness is optimized through clear and open communication with the public. The committee gives presentations to many of the service organizations in the County to build awareness of the Grand Jury's role, maintain a positive public image of Grand Jury contributions, establish contacts, provide local media with timely knowledge of new investigative reports and responses to them, and recruit future jurors. The committee operates

throughout the Grand Jury's term and is chaired by the Foreperson since s/he is the official Grand Jury spokesperson.

In addition to the standing committees, a **School Safety** committee was established after the mass shooting at Stoneman Douglas High School in Parkland, Florida. The committee examined security policies followed by Nevada County schools.

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Complaints Received

The Grand Jury receives numerous citizen complaints throughout the year. Every complaint is carefully reviewed to determine jurisdiction. If jurisdiction is confirmed and the complaint warrants investigation, it is assigned to the appropriate committee. The committee investigates the complaint with oversight by the Grand Jury. At times, ad hoc committees may be formed to investigate specific complaints. The Grand Jury is kept informed by the committee of the progress of the investigation. A written report regarding a specific complaint may be published and included in the Final Report.

The 2017-2018 Grand Jury received 33 new citizen complaints. Of those, 20 complaints were assigned to investigative committees for review. Of those assigned, none of the complaints resulted in a report included in this Final Report. 14 complaints were determined to be outside the jurisdiction of the Grand Jury and two were rejected for reasons other than jurisdiction. Four complaints were received too late in the year to complete an investigation and so were referred to the 2018-2019 Grand Jury.

In addition to citizen complaints, the Grand Jury inquired into 27 issues brought forward by committee members and eight were approved by the Grand Jury for further investigation. Three of the investigations resulted in reports.

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INVESTIGATIVE REPORTS

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**A Sally Port is Needed at the Truckee Branch
of the Nevada County Superior Court**

2017-2018 Nevada County Grand Jury

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A Sally Port is Needed at the Truckee Branch of the Nevada County Superior Court

Summary

Transporting prisoners from a secure law enforcement vehicle into or out of a jail or courthouse involves increased risk of escape and danger to the public and prisoners alike. To reduce that risk, most secure facilities – jails, prisons, and courthouses – are equipped with an enclosure providing limited access to the transfer location. Such enclosures are called sally ports. Access into and out of a sally port is typically through a gate. After a secure vehicle enters through the access gate, it is closed. Then prisoners can exit the secure vehicle and enter the jail or courthouse through another controlled door. Thus, a sally port provides protection for the public from attempted escape and for the prisoner from attempted revenge.

There are four locations in Nevada County (County) in the control of the Nevada County Sheriff's Office (NCSO) that involve the transfer of prisoners – the Wayne Brown Correctional Facility (Wayne Brown), the Nevada County Courthouse in Nevada City, the NCSO Truckee Sub-Station (Truckee Jail), and the Truckee Branch of the Nevada County Superior Court (Truckee Courthouse). Only the Truckee Courthouse lacks a sally port.

The Truckee Courthouse is located in a building shared with various County offices and shares a public parking lot with the Truckee Branch of the Nevada County Library (Truckee Library). Adjacent to the same public parking lot is the Truckee Jail. While the NCSO and the Nevada County Board of Supervisors (Board) believed it appropriate to equip the Truckee Jail with a sally port in 2006, they have consistently failed and refused to install a sally port just across the public parking lot at the Truckee Courthouse. The same prisoners pass through both facilities and there is no reason why the facilities should not be similarly equipped. The safety of the employees sharing a building with the Truckee Courthouse and library patrons using the same public parking lot is in jeopardy in the absence of such a sally port.

While the NCSO has stated that: “We have had an excellent record with our transport of prisoners from transportation units to the Courthouse in Truckee with no threats, escapes, or injuries,” the fact remains that the NCSO and the Board have provided a sally port at every other location in the County where prisoners are transferred from secure vehicles to secure buildings. There is nothing that distinguishes the conditions at the Truckee Courthouse to make it safer than those other three County-operated locations. Moreover, the presence of public facilities and a County Library in the immediate proximity of the Truckee Courthouse creates an increased threat to the public, law enforcement, and the prisoners at this location. Hence, the lack of a sally port at the Truckee Courthouse poses a greater risk than has been permitted at the Nevada City Court Holding Facility, the Truckee Jail, or Wayne Brown. County employees in Truckee, prisoners, and the citizens of Truckee deserve better.

The Nevada County Grand Jury (Jury) recommends that the NCSO budget the construction of a sally port at the Truckee Courthouse and that the Board immediately approve the construction of such a sally port to protect County employees, the citizens of Truckee, and prisoners.

Glossary

Board	Nevada County Board of Supervisors
CO	Nevada County Sheriff's Office Correctional Officer
County	County of Nevada
Deputy	Nevada County Sheriff's Office Deputy
Jury	Nevada County Grand Jury
NCSO	Nevada County Sheriff's Office
Truckee Courthouse	Nevada County Superior Court, Truckee Branch
Truckee Jail	Nevada County Sheriff's Office, Truckee Sub-Station
Truckee Library	Truckee Branch of the Nevada County Library
Wayne Brown	Wayne Brown Correctional Facility

Background

Pursuant to California Penal Code Sec. 919(b),¹ the Jury is required to inquire into the condition and management of all public prisons in the County on a yearly basis. In September 2017, members of the Jury visited the Truckee Jail. The Jury also visited the Truckee Courthouse located across the public parking lot from the Truckee Jail in the Joseph Center. The Jury had seen, in visits to Wayne Brown, the Nevada City Court Holding Facility, and the Truckee Jail, that each of those facilities was equipped with a secure area called a sally port for the safe transfer of prisoners. The Jury noted that notwithstanding prior Jury reports and recommendations on the lack of a sally port at the Truckee Courthouse, none has been added. The Jury undertook to review past Jury reports, findings, and recommendations to determine why there was not yet a sally port at the Truckee Courthouse.

Approach

The Jury visited the Truckee Jail and the Truckee Courthouse in September 2017. It also reviewed previous Grand Jury reports, the responses to those reports by the NCSO and the Board, and reviewed the agreements between the County and the California Administrative Office of the Courts concerning the use of a portion of the Joseph Center as the Truckee Courthouse.

Discussion

In September 2017, members of the Jury visited the Truckee Jail and the Truckee Courthouse, where prisoners detained at the Truckee Jail are often tried. Both are located off Donner Pass Road in the Joseph Center, a government complex comprising three buildings: the Truckee Jail, the Truckee Library, and a building housing the Truckee Courthouse and various other County government departments including the Public Health Department, Probation, the District

¹ "919(b) The grand jury shall inquire into the condition and management of the public prisons within the county."

Attorney, and the Public Defender. The three buildings comprising the Joseph Center share a public parking lot. The Truckee Courthouse is across that public parking lot from the Truckee Jail. Walking from the Truckee Jail to the Truckee Courthouse, one passes the Truckee Library.

Since the Truckee Jail is a Type I facility, the maximum stay permitted there is 96 hours. Thus, prisoners are normally transported from the Truckee Jail to Wayne Brown for stays longer than 96 hours. When such prisoners have a subsequent hearing at the Truckee Courthouse, they are transported to the Truckee Jail to wait for their appearance. Such prisoners depart Wayne Brown and are brought to the Truckee Jail in a secure law enforcement vehicle. The vehicle arrives at an area behind the Truckee Jail that is enclosed with a chain link fence with a roll-down gate. Vehicles enter through the gate, the gate closes, and the officers escort the prisoner into the booking area of the jail while protected from any interference by the enclosing fence. Such a secure area for the transfer of prisoners is called a sally port.

Thus, for court appearances, prisoners are transported from Wayne Brown, through its sally port to the Truckee Jail, arriving at its sally port. When they are scheduled to appear at the Truckee Courthouse, they enter an NCSO vehicle in the Truckee Jail sally port and are securely transferred across the public parking lot to the prisoner entrance to the Truckee Courthouse. This disembarkation point is in an open area at the edge of the public parking lot shared with the Truckee Library and other County offices. There is no sally port at the Truckee Courthouse. During 2016, approximately 15 prisoners were transported from the Truckee Jail to the Truckee Courthouse each month.

Every facility in the County at which prisoners are transferred from law enforcement vehicles into jails or holding facilities is equipped with a sally port **except** the Truckee Courthouse.² The close proximity of the Truckee Courthouse to the Truckee Library and other County offices makes the lack of a sally port even more dangerous.

Since prisoners who are escorted from a secure vehicle into the Truckee Courthouse are normally chained or otherwise restrained, there is little risk of an unaided escape. However, the location of the walkway and door on the edge of the public parking lot provides very little security against assisted escapes or attempts at retaliation against the prisoner. These are the very dangers that sally ports are designed to ameliorate.

The Grand Jury has commented regularly over the years on the lack of sally ports in Truckee. In 2004, when the Truckee Jail was remodeled and assigned to the NCSO after the formation of the Truckee Police Department, the Jury issued a report including a Finding that: “Inmates are transferred in and out of the substation [the Truckee Jail] through an open and non-secured carport at the rear of the facility. This carport, which has no security fencing, faces the front door, driveway, and parking lot for the Truckee branch of the Nevada County library and the Joseph Center, where the courtrooms are located.”

² There are four locations in the County under the control of the NCSO that involve the transfer of prisoners – Wayne Brown, the Nevada County Courthouse in Nevada City, the Truckee Jail, and the Truckee Courthouse. In addition, the Carl F. Bryan II Juvenile Hall, under the Jurisdiction of the Chief Probation Officer, involves such transfers. Only the Truckee Courthouse lacks a sally port.

The Board and the NCSO responded to that Finding stating “Agree.” Based on that Finding the Jury recommended: “In the interest of public safety, the Board of Supervisors and the Sheriff, must ensure that the open carport at the Truckee Substation be secured with a physical barrier.” The NCSO responded: “The recommendation requires further analysis, and has not been budgeted for this fiscal year. The ‘Sally port’ enclosure is an item that will be prioritized and funding sought for future installation.”

In 2005, the Jury again reported on the Truckee Jail and recommended the installation of a sally port, noting that the NCSO had requested funding for such a project from the Board. The installation of the sally port at the Truckee Jail was completed in 2006. In Resolution 06-567, the Board took notice of the completion of the contract with Empire Fence Co., Inc. “for a total project expenditure of \$21,122.”

In 2011, the Jury issued a report recommending the installation of a sally port at the Truckee Courthouse. Noting that “[i]nmates are moved from the secure vehicle to the Truckee Court through an outdoor, unsecured, open walkway utilized by court and county employees and the public,” the Jury made the Finding: “There is concern regarding officer and public safety, as well as potential prisoner escape, when transferring prisoners between vehicles and the Truckee Court.”

The NCSO responded “Agree” to the Finding. The Jury also made a recommendation that the NCSO should discuss installation of a sally port at the Truckee Courthouse with the California Administrative Office of the Courts. The NCSO responded: “The recommendation has been implemented in that the discussion has taken place, although the California Administrative Office of the Courts does not have any funding sources to cover the costs of building a Sally port.”

The following year, 2012, the Jury again recommended the addition of a sally port and sought to clarify whether the County was responsible for the security of the area where prisoners are unloaded outside the Truckee Courthouse for their court appearances. The Jury made the following Finding: “Nevada County is responsible both for the area where prisoners are removed from the secure vehicle and for the unsecured walkway leading to the Court.” The Board responded: “Agree.”

Based on that Finding, the Jury issued this Recommendation in 2012: “The Nevada County Sheriff should: “... In conjunction with the Nevada County Board of Supervisors, secure the open prisoner loading/unloading area at the Court with a fenced enclosure, commonly known as a sally port.” The NCSO and the Board responded as follows: “The recommendation will not be implemented because it is not reasonable in the current fiscal environment.”

In 2014, the Jury again found that the lack of a sally port posed an unsafe condition. The Jury’s Finding was: “F1. The current conditions at the Joseph Center are believed to pose an imminent threat of serious injury to the public, courthouse employees, and county employees.” The NCSO responded:

Due to past experience, we do not feel an imminent threat of serious injury to the public, courthouse employees, and/or county employees exists. We have had an excellent record with our transport of prisoners from transportation units to the Courthouse in Truckee with no threats, escapes, or injuries. We are committed to mitigating risk at every opportunity within the County's existing resources. Prisoners are transported from the transportation unit to the Courthouse in customary restraints, including leg shackles and waist shackles.

Nothing has changed since 2014.

The history of responses to Jury findings and recommendations creates some confusion concerning whether the Administrative Office of the Courts or the County are responsible for the dangerous condition arising from the absence of a sally port at the Truckee Courthouse. Most recently, as noted above, the Board accepted that the County is responsible for the area in question but claimed that there were not sufficient funds available to protect County employees and Truckee residents at the Courthouse. The Board previously undertook a similar sally port installation across the parking lot at the Truckee Jail. The cost of providing that protection eleven years ago was just in excess of \$21,000.

While the NCSO has stated that: “We have had an excellent record with our transport of prisoners from transportation units to the Courthouse in Truckee with no threats, escapes, or injuries,” the fact remains that the NCSO and the Board have provided a sally port at every other location in the County where prisoners are transferred from secure vehicles to secure buildings. There is nothing that distinguishes the conditions at the Truckee Courthouse to make it safer than those other three County-operated locations. Moreover, the presence of public facilities and a County Library in the immediate proximity of the Truckee Courthouse creates an increased threat to the public, law enforcement, and the prisoners at this location. Hence, the lack of a sally port at the Truckee Courthouse poses a greater risk than has been permitted at the Nevada City Court Holding Facility, the Truckee Jail, or the Wayne Brown Correctional Facility. County employees in Truckee, prisoners, and the citizens of Truckee deserve better.

Findings

- F1** The sally port at the Truckee Jail increases safety for the public during the transfer of prisoners from secure vehicles into the secure jail.
- F2** The absence of a sally port at the Truckee Courthouse increases the risk to the public, law enforcement, and the prisoners at this location during the transfer of prisoners from secure vehicles into the secure courthouse.
- F3** The absence of a sally port at the Truckee Courthouse, in immediate proximity to a public parking area, County offices, and the Truckee Library, creates an increased risk to the public, law enforcement, and the prisoners at this location.

- F4** The addition of a sally port to the prisoner entrance at the Truckee Courthouse would increase safety for the public, prisoners, and citizens of Truckee.

Recommendations

The Nevada County Grand Jury recommends that the Nevada County Sheriff's Office and the Nevada County Board of Supervisors implement the following recommendations.

The Nevada County Sheriff's Office should:

- R1** Request funding from Nevada County Board of Supervisors to install a sally port at the Truckee Courthouse.

The Nevada County Board of Supervisors should:

- R2** Provide funding to install a sally port at the prisoner entrance to the Truckee Courthouse.

Request for Responses

Pursuant to Penal Code section 933.05, the Nevada County Grand Jury requests responses as follows:

From the following:

- Nevada County Sheriff's Office (R1) by 7 April 2018.
- Nevada County Board of Supervisors (R2) by 7 May 2018.

RESPONSES

**NEVADA COUNTY
SHERIFF'S OFFICE**



KEITH ROYAL
SHERIFF / CORONER
PUBLIC ADMINISTRATOR

April 5, 2018

The Honorable Thomas M. Anderson
Presiding Judge of the Grand Jury
201 Church Street
Nevada City, CA 95959

RE: Response to Grand Jury Report on the subject of A Sally Port is Needed at the Truckee Branch of the Nevada County Superior Court

Dear Honorable Judge Anderson:

In response to the Grand Jury Report dated February 5, 2018 regarding a Sally Port at the Truckee Branch of the Nevada County Superior Court.

FINDINGS:

1. The sally port at the Truckee Jail increases safety for the public during the transfer of prisoners from secure vehicles into the secure jail.

Agree

2. The absence of a sally port at the Truckee Courthouse increases the risk to the public, law enforcement, and the prisoners at this location during the transfer of prisoners from secure vehicles into the secure courthouse.

Agree

3. The absence of a sally port at the Truckee Courthouse, in immediate proximity to a public parking area, County offices, and the Truckee Library, creates an increased risk to the public, law enforcement, and the prisoners at this location.

Agree

4. The addition of a sally port to the prisoner entrance at the Truckee Courthouse would increase safety for the public, prisoners, and citizens of Truckee.

Agree

COUNTY OF NEVADA
STATE OF CALIFORNIA
BOARD OF SUPERVISORS



Heidi Hall, 1st District
Chair Edward C. Scofield, 2nd District
Dan Miller, 3rd District
Wm. "Hank" Weston, 4th District
Vice-Chair Richard Anderson, 5th District

Julie Patterson Hunter,
Clerk of the Board

April 24, 2018

*Reviewed
4/25/18
JAH*

Honorable Thomas Anderson
Supervising Judge of the Grand Jury
201 Church Street
Nevada County, CA 95959

RE: Response to Grand Jury Report on the subject of A Sally Port is needed at the Truckee Branch of the Nevada County Superior Court

Dear Honorable Judge Anderson,

In response to the Grand Jury Report dated February 5, 2018 regarding a Sally Port at the Truckee Branch of the Nevada County Superior Court.

FINDINGS:

F1. The sally port at the Truckee Jail increases safety for the public during the transfer of prisoners from secure vehicles into the secure jail.

Agree

F2. The absence of a sally port at the Truckee Courthouse increases the risk to the public, law enforcement, and the prisoners at this location during the transfer of prisoners from secure vehicles into the secure courthouse.

Agree

F3. The absence of a sally port at the Truckee Courthouse, in immediate proximity to a public parking area, County offices, and the Truckee Library, creates an increased risk to the public, law enforcement, and the prisoners at this location.

Agree

F4. The addition of a sally port to the prisoner entrance at the Truckee Courthouse would increase safety for the public, prisoners, and citizens of Truckee.

950 Maidu Avenue, Suite 200, Nevada City CA 95959-8617
phone: 530.265.1480 | fax: 530.265.9836 | toll free: 888.785.1480 | email: bdofsupervisors@co.nevada.ca.us
website: <http://www.mynevadacounty.com/nco/bos>

PRINTED ON RECYCLED PAPER

Agree

RECOMMENDATIONS:

R2. The Nevada County Board of Supervisors should provide funding to install a sally port at the prisoner entrance to the Truckee Courthouse.

The Sheriff's Office is currently conducting a cost analysis for the design and construction of a sally port at the Truckee courthouse that would allow the transfer of prisoners from a secured transport vehicle into the courthouse. The Sheriff's Office will be reporting their findings to the County Executive Office on or before July 1, 2018 for additional input for a final recommendation. The County's budget for Fiscal Year 2018-2019 is anticipated to be adopted in June of 2018 which will not include proposed funding for a sally port at the Truckee Courthouse. Subsequently, it is anticipated that the Sheriff's Office will provide the Board of Supervisors with recommendations for funding and construction of a sally port at the prisoner entrance to the Truckee Courthouse for Fiscal Year 2019-2020. At such time, the Board will consider funding for a sally port at the prisoner entrance to the Truckee Courthouse in reference to the aforementioned Grand Jury Report and the Sheriff's Office and County Executive Office's final recommendation.

The Board of Supervisors thanks the members of the 2017-2018 Grand Jury for their participation and effort in preparing their reports and raising issues of importance for the County.

Sincerely,



Ed Scofield
Chair, Board of Supervisors

Safety and Security at Nevada County Schools

2017-2018 Nevada County Grand Jury

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Safety and Security at Nevada County Schools

Summary

In the wake of several tragic and highly publicized school violence incidents, school safety and violence prevention are major national concerns. Since the year 2000 there have been nearly 190 school shootings in 43 of the 50 states. The shootings have taken place at a rate of about one per month and left more than 250 students and teachers dead.

With a countywide safety assessment of our local schools as an objective, the Nevada County Grand Jury (Jury) interviewed selected officials from schools and school districts as well as the Nevada County Superintendent of Schools (NCSOS). The Jury was interested in determining the extent of deployment of the California legislature's mandated comprehensive school safety plan, Education Code 32280-32289.

Our questions and observations were specific to regulations but general enough to reflect the unique characteristics of the schools which were visited.

The Jury visited 16 of the 42 schools in Nevada County (38%) to see if there were safety programs in place, what they included, and what their feelings were about safety policies already in place.

The Jury contacted the NCSOS office to find out what part it played in overseeing implementation of safety policies.

During the school surveys, the Jury compiled observations from various individual school sites, several of which raised safety concerns within the Jury. A sample of the observations follows.

- All schools had a comprehensive school safety plan in accordance with California Education Code, Section 32280-32289.
- All schools showed a realistic and forthright effort at deploying and executing their safety plan.
- Teacher training on safety and security did not appear to provide enough opportunity to thoroughly instruct the teachers on responsibilities, alternatives, and appropriate methods for dealing with an extreme emergency.
- Evacuation procedures included assembling students and teachers in largely open areas outside. Recent active shooter experience indicates that this procedure should be changed.
- All schools we visited were able to secure their perimeters.

- In most schools, emergency *secure* communication was somewhat lacking or did not exist between front office and teacher.
- Not all classrooms had inside locks or window coverings to prevent observation from the outside. Camera systems were not always present and were inconsistent.
- Notification to parents and guardians appeared to be consistent across those we interviewed. All schools used a telephone-centered message system and some sort of group email. However, the emergence of social media has completely changed the communication dynamics and, instead of fostering communications, has increased the sense of panic in many students, teachers, and parents and guardians.
- There was no comprehensive written statement providing parents and guardians, teachers, and appropriate students with simple instructions of what to do and what not to do in the event of an emergency.
- One consistent issue emerged: *there is a need to establish a presence at each school of some form of Resource Officer.*
- When questioned about possibly arming teachers, an immediate consensus emerged from those interviewed which discarded the idea as unsuitable.

We all want to see our children succeed. We all want the youth of our community to have an educational experience that is mutually positive and respectful. We all want our community to share the mutual responsibilities and the beneficial results of a renowned school system. Toward that end, the Jury asks the entire community to extend themselves, just a bit, toward things that are positive and respectful. We are all neighbors wanting to be neighborly. Some things are impossible to solve at a local level. We should act together toward solving those things that are solvable and refuse to allow a national perspective to pull us apart.

Glossary

ALICE	Alert, Lockdown, Inform, Counter, Evacuate (in response to an active shooter)
County	Nevada County
Jury	Nevada County Grand Jury
NCSOS	Nevada County Superintendent of Schools

Background

With the recent school shootings at Parkland, Florida, it was apparent that parents and guardians, students, school administration, law enforcement, and virtually all of the general public were shocked to their core. Additionally, with 24/7 news and unlimited social media accounts, the extent of the volume became overwhelming and the need simply to “do something ... anything”

was felt throughout the nation. The people of Nevada County (County) have been no less affected.

The Jury determined that an assessment of the situation as it applies to our County could be of extreme value. Accordingly, this report is an attempt to assess, inform, and advise to the extent possible the current status of “Safety and Security at Nevada County Schools.”

Approach

The Jury visited 16 of the 42 schools in Western Nevada County to see if there were safety programs in place, what they included, and what the school administration felt in reference to the effectiveness of safety policies.

The Jury reviewed the comprehensive school safety plan in the California Education Code Sections 32280-32289. These sections define the California Legislature’s instructions to school districts, law enforcement, community leaders, and the school community as a whole regarding the need for a comprehensive school safety plan. Further, the legislature defined the elements of a safety plan to include prevention strategies and education of crime and violence on the school campus.

The Jury also reviewed Assembly Bill 424, passed in October 2017, which deleted the authority of local school officials to grant permission for a person to possess a firearm within a school zone.

Additionally, the Jury contacted the offices of the NCSOS to determine what role it played in overseeing implementation of safety policies.

During this investigation the Jury asked questions of a cross-section of school administration officials regarding:

- communications on site;
- parent notification and communications;
- law enforcement and emergency notification;
- conduct and scheduling of fire and emergency drills;
- evacuation procedures and concerns;
- active shooter drills;
- communications among teacher, staff, counselor, psychologist, and principal;
- accessibility and visibility to classrooms;
- cameras and video equipment;
- easy access to schools and lack of perimeter fences surrounding schools;
- training and goal setting;
- funding;
- arming teachers; and
- additional Resource Officers.

Discussion

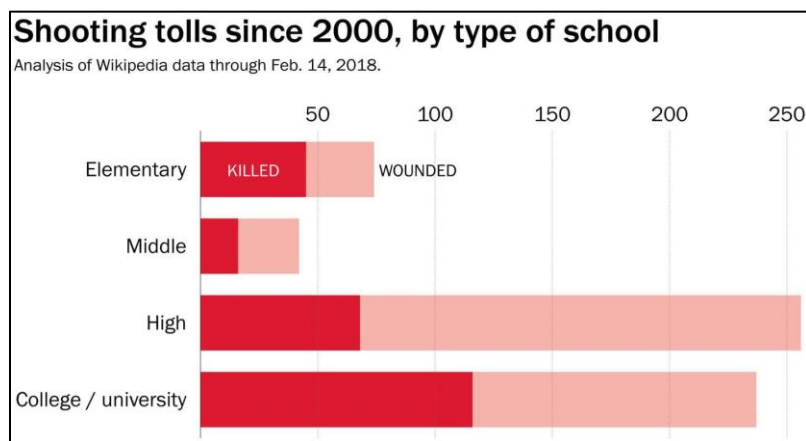
A recent article in *The Washington Post* (March 9, 2018) titled [Eighteen Years of Gun Violence, Mapped](#) defined a school shooting as "... the targeting of students and/or teachers at a school." Using Wikipedia, they went on to identify the numbers of school shootings since 2000 (debunking an initial claim made by other sources that there had been 18 school shootings in the United States already in 2018). Using their definition, as of March 9, 2018 seven school shootings had thus far occurred in 2018. Moreover, since 2000, there have been nearly 190 shootings at elementary, middle, and high schools and at colleges and universities.

We can all agree that one shooting is one too many. Any act of violence at a school inflicted on student or staff is such an overwhelming violation of our sense of reasonable security that it is almost beyond our capacity to comprehend. It is absolutely essential that we understand and ensure that our systems of security have the capability to effectively respond should the unthinkable become a reality. Further, the Jury feels compelled to address the phenomenon that causes outrage in our community and our nation that is as intense as it is short-lived. Our national conversation about school shootings has historically vacillated from absolute outrage to political soundbites and has thus far created less than optimal results.

This report looks back to the year 2000 and begs the question: *why are we merely talking at each other and not gathering our strength and insisting and seeing to it that something is done to protect our children?*

The following is provided as a means to document the problem and acquaint the citizens of the County with objective information and collective opinion of the Jury that we hope may be useful in determining our safety posture, our vulnerability, and the steps that our local agencies, districts, and activities are taking and perhaps should take to protect our children, teachers, and school staff.

To understand our situation locally, we need to assess the scope of the problem nationally. The chart below illustrates the toll school shootings have taken.



[Eighteen Years of Gun Violence, Mapped](#) - *The Washington Post* - March 9, 2018

Between 2000 and Feb 14, 2018, there have been 188 school shootings in 43 of the 50 states.

Since 2000, school shootings have taken place at a rate of about one a month and left more than 250 students or teachers dead. The quantity of shootings predominately involves schools with older students.

While it is mandatory to assess the preparedness of our schools, recent studies referenced by National Public Radio¹ reveal a serious lack of consensus on possible solutions. Furthermore, the intensity of one-sided opinions seems to have stifled broad discussion and searches for mutual consensus. These studies did point out that to simply prepare for shootings is reactive and insufficient. A coalition of law enforcement, mental health, and educational agencies is necessary to begin to shift the focus onto prevention and not just reaction. However, this report is not focused entirely on that larger coalition; it is mainly intended to address the present state of preparedness of our schools to react to an active shooter or other criminal activity.

With a countywide safety assessment of our local schools as an objective, the Jury interviewed selected officials from schools and school districts in the County as well as the NCSOS. The Jury was interested in determining the extent of deployment of the California's mandated comprehensive school safety plan, Education Code 32280-32289. Additionally, the Jury sought out the attitudes and reactions toward school safety of a broad spectrum of local individuals within the system who are charged with educating and protecting our youth.

We questioned the existence of school safety plans and the extent to which they were actually in use as part of the schools' operations. We asked whether safety was practiced or was merely a plan on the shelf. Of the 42 schools within the jurisdiction of the County, the Jury elected to interview 16 schools ... a 38% sample size. The sample contained a cross-section of small and large schools, charter schools, private schools, and the community college. The Jury did not interview any of the East County schools because they are under the jurisdiction of Placer County.

Observations

Our questions and observations were specific as to regulations, but general enough to reflect the unique characteristics of the individual schools. Our collective observations are:

- All schools had an annually updated comprehensive school safety plan in accordance with California Education Code, Section 32280-32289.
- All schools showed a realistic and forthright effort to deploy and execute their safety plan. This observation was clearly stimulated by the recent tragedy in Florida.
- Teacher training on safety and security was observed to be mostly confined to "scheduled collaboration" sessions as part of imparting weekly notices, alerts, and business topics. This did not appear to provide enough opportunity to thoroughly instruct the teachers on

¹ www.npr.org/sections/ed/2018/03/07/590877717/expert

responsibilities, alternatives, and appropriate methods of dealing with an extreme emergency.

- Notifications to parents and guardians were consistent among the schools. All schools use a telephone-centered message system and some sort of group email. However, the emergence of social media has completely changed the communication dynamics and, instead of fostering communication, has increased the sense of panic and confusion in students, teachers, and parents and guardians. Some noted concerns were:
 - a. There were reports of Facebook posts regarding a lockdown at a school which preceded the actual lockdown. There was virtually no information regarding what had prompted the lockdown in the Facebook post and this caused an enormous digital outcry among the students from inside the school as well as from parents and guardians outside the school.
 - b. Messages between the parents and guardians, others, and the students in a recent lockdown drill caused flashing of cellphone screens to be observed in darkened corridors and immediately disclosed to the person portraying a shooter the location of hidden students in lockdown.
 - c. Social media chatter among students was continuous.
 - d. During recent lockdowns, rumors on social media to and from students exponentially increased while teachers and others school administrators were cut off from legitimate ongoing information or silent because of efforts by the school to prevent incomplete information from being released prematurely. Complete information always lagged behind rumors.
 - e. Student attention is critically diffused.
- Safety training of teachers and administrators was an ongoing activity, some more seriously conducted than others, and was not consistent throughout all schools.
- While most had conducted recent active shooter or civilian response drills, some schools, especially those of earlier grades, chose to minimize potential trauma and emphasized response through discussion and simple examples as opposed to a lockdown and active shooter drills. Younger children were therefore protected from excessive and unnecessary trauma. This was an enhancement of state regulations and not in conflict with the Education Code or state law.
- Most schools were aware of the “ALICE” standard (Alert, Lockdown, Inform, Counter, Evacuate)². However, the exercise was inconsistently practiced.

²<https://www.alicetraining.com/>

- Some programs, like “Run. Hide. Fight.”³ have been taught by the Grass Valley Police Department.
- As a result of the shootings in Las Vegas, Nevada, and the fire alarm activation by the shooter in Florida, there was a growing concern about the manner in which students and staff members were instructed to evacuate school facilities. Assembling in large groups outside could have unintended consequences and provide a potential target of opportunity. The Jury could not find evidence of a collective effort within the County to attempt to develop a means to overcome this concern. This item is one where urgent attention is demanded.
- Questions concerning signs of mental instability garnered a significant response. Teachers knew their students. They saw their students daily and if negative changes were observed, they were in the most advantageous position to take action and address the issue with the help of site staff or County Behavioral Health. In most serious or emergency cases, school representatives were very complementary of the services of County Behavioral Health.
- In addition, the “Handle with Care” program⁴ allows law enforcement and Health officials to alert schools of traumatic events involving students offsite. This provides the insight and the methods to the school staff to intercede and prevent possible behavioral escalation.
- The schools visited by the Jury had no effective means to physically secure the outside perimeter of their school grounds but research indicates that most schools would not become safer merely because of perimeter fences, extensive camera systems, or walls. Research has also shown that excessive “hardening” of schools jeopardizes the learning environment and undermines the trust between students and faculty. Having multiple means of evacuation reduces the bottleneck of forcing students through known fixed gateways and structures. For more information on concerns of “hardening” schools, the Jury suggests a recent interview on National Public Radio⁵. This interview points out that “... safety is a product of relationships.” This is especially true among young adults where the preponderance of occurrence of violence happens. In our quest for safety, we should not turn our schools into prisons.
- The University of Virginia in February, 2018 engaged an “Interdisciplinary Group on Preventing School and Community Violence” (also called the “Youth Violence Project”)⁶. Consisting of 22 noted academicians from universities throughout the United States, the group crafted a series of recommendations aimed at “... changing the national mindset and policy from reaction to prevention.” The results of this engagement have been endorsed by over 75 national organizations, including medical, law enforcement, legal, and social services organizations.

³ <https://www.ready.gov/active-shooter>

⁴ handlewithcare.com

⁵ <http://wbaa.org/post/after-parkland-dont-turn-our-schools-prisons-says-education-activist#stream/0>

⁶ <https://curry.virginia.edu/prevent-gun-violence>

- Throughout all interview sessions, one consistent issue emerged: a need to establish a presence at each school of some form of Resource Officer. Only a few of our 42 schools have assigned representatives of law enforcement. The teachers were sensitive to the presence of erratic behavior and responded accordingly. There was instruction given to these teachers on what constitutes erratic behavior with the singular direction of reporting it to the front office. While teachers were clearly the figure of authority in each classroom as it relates to education, as a body they were not trained in depth to recognize evolving mental conditions or to know the appropriate response necessary to defuse erratic behavior.
- When questioned about possibly arming teachers, an immediate consensus emerged that the proposal is inappropriate. Concerns were voiced that arming teachers may become more of the problem than the solution. As it stands, any effort to allow an armed civilian on campus must be preceded by legislative changes from the California Legislature.

Conclusion

There is no absolute means to prevent a crisis from happening within our County.

As citizens and residents and students we can only trust that those who are charged with the primary responsibilities of protecting and caring for us are properly trained and motivated to do their very best. This trust, however, comes with an obligation on the part of all citizens to periodically review the safeguards that exist for our benefit.

Toward this end, the Jury researched the wide range of laws, policies, procedures, and protocols that are in place to protect us. Further, the Jury considered a significant cross-section of leaders, agencies, and individuals who are entrusted with our children’s safety. Additionally, we inspected and observed a cross-section of school facilities within our County which we rely upon to shelter and protect our students.

To document our conclusions from this effort, the Jury compiled observations that span a wide range of topics in support of the following Findings and Recommendations. They are meant to alert the citizens of the County to situations that need to be pursued. It is up to each of us to do our part and to see to it that the responsible individuals and agencies review and enact the changes.

We cannot absolutely prevent a crisis! However, we can improve upon our chances to avoid the unthinkable. Our schools are in relatively good shape. They could be better!

In a recent article from a local newspaper⁷, an official of the NCSOS responsible for ensuring a safe climate within County schools declared, “The number one deterrent to school violence is *relationship*.” We ask that we all work together to become an ever-increasing part of that relationship.

⁷ <https://www.theunion.com/news/local-news/in-wake-of-shootings-schools-evolve-to-keep-students-safe/>

Findings

- F1** With the recent school shootings, it is apparent that parents and guardians, school administrators and staff, law enforcement, and virtually all of the general public are shocked, angry, and dismayed. However, the attention and focus here and across the nation has waned following each and every tragedy and we have made little progress.
- F2** Effective communication between schools and parents, guardians, and students appears to vary widely among schools. There is limited communication about emergency procedures that involves and informs the parents or guardians and includes older students.
- F3** During a recent *actual* lockdown response activity several reports indicated substantial confusion between all parties involved, thus creating overreaction, rumors, and some degree of panic that tied up the school phone systems. The difficulty in controlling social media was cited as the chief reason this occurred.
- F4** The schools visited by the Jury have safety and security plans, emergency response modes, and some level of perimeter surveillance. They exercise their plans on a regular schedule but some are not always fully engaged.
- F5** In most schools, emergency *secure* communication is somewhat lacking or does not exist between front office and teacher.
- F6** Some very good efforts have been made to secure classrooms. However, not all classrooms have inside locks or window coverings to prevent observation from the outside. Camera systems are not always present or are inconsistent.
- F7** Resource Officers are minimal, part time, or non-existent in our schools. Emphasis is placed on the two principal high schools where sworn officers are present.
- F8** Teacher training on safety and security is mostly confined to “scheduled collaboration” sessions as part of imparting weekly notices, alerts, and business topics. This does not provide enough opportunity to thoroughly instruct the teachers on responsibilities, alternatives, and appropriate methods of dealing with an extreme emergency.
- F9** Evacuation alarms result in teachers assembling the students outside of the school building in locations that are potentially exposed to possible danger.

Recommendations

- R1** The Nevada County Superintendent of Schools should coordinate with school districts, law enforcement, parents and guardians, and students in the development of a highly summarized parents’ guide on what to do and not do when a lockdown or other emergency happens. This guide should contain uniform instructions that are generic to

all schools. Additionally, each school should add instructions that are site specific to their school location and circumstances and distribute to teachers, parents and guardians, and high school students at the beginning of the year and each semester thereafter.

- R2** The Nevada County Superintendent of Schools should coordinate with school districts, law enforcement, parents and guardians, and students to develop a uniform, workable plan that responds to the appropriate use of social media during actual emergencies and drill exercises.
- R3** The Nevada County Superintendent of Schools should develop the means to train teachers in uniform safety and security protocols and include the exercise and use of the “ALICE” standard in each of the schools. Additionally, each school district’s board should direct and fund the deployment of this training and exercise.
- R4** The Nevada County Superintendent of Schools should coordinate with districts and schools to establish a standard means of *secure* communication between the front office and the teachers, regardless of their location.
- R5** Each district and school should conduct a thorough physical evaluation of classroom security and visibility including inside door locks, appropriate shading, and camera systems. Each school should be required to be in conformance with the physical demands and characteristics of a comprehensive school safety plan.
- R6** The Nevada County Superintendent of Schools, school districts, and local law enforcement should collaborate on the use and deployment of Resource Officers that encompass all of our schools.
- R7** A working group of the Nevada County Superintendent of Schools, the Nevada County Sheriff’s Office, the Grass Valley Police Department, the Nevada City Police Department, Nevada County Behavioral Health (especially concerning behavior of the assailant), and school administration and staff should be created to develop a model program for all schools to utilize when examining and creating their own outside assembly and accounting program.
- R8** Following the creation of a model program for outside assembly and accounting, each school district should direct their schools to exercise this model and, in conjunction with local law enforcement, develop and incorporate the site-specific procedures necessary to conduct a safe and secure school evacuation.

Request for Responses

Pursuant to Penal Code section 933.05, the Nevada County Grand Jury requests responses from the following:

- Nevada County Superintendent of Schools for Recommendations R1, R 2, R 3, R4, R6, and R7 by 6 July 2018.
- Chicago Park School District for Recommendations R1, R2, R3, R4, R5, R6, and R8 by 5 August 2018.
- Clear Creek School District for Recommendations R1, R2, R3, R4, R5, R6, and R8 by 5 August 2018.
- Grass Valley School District for Recommendations R1, R2, R3, R4, R5, R6, and R8 by 5 August 2018.
- Nevada City School District for Recommendations R1, R2, R3, R4, R5, R6, and R8 by 5 August 2018.
- Nevada Joint Union High School District for Recommendations R1, R2, R3, R4, R5, R6, and R8 by 5 August 2018.
- Penn Valley Union Elementary School District for Recommendations R1, R2, R3, R4, R5, R6, and R8 by 5 August 2018.
- Pleasant Ridge Union School District for Recommendations R1, R2, R3, R4, R5, R6, and R8 by 5 August 2018.
- Twin Ridges School District for Recommendations R1, R2, R3, R4, R5, R6, and R8 by 5 August 2018.
- Union Hill School District for Recommendations R1, R2, R3, R4, R5, R6, and R8 by 5 August 2018.
- The Nevada County Sheriff's Office for Recommendations R1, R2, R6, R7, and R8 by 6 July 2018.
- The Grass Valley Police Department for Recommendations R1, R2, R6, R7, and R8 by 6 July 2018.
- The Nevada City Police Department for Recommendations R1, R2, R6, R7, and R8 by 6 July 2018.

- Nevada County Behavioral Health for Recommendation R7 by 5 August 2018.

RESPONSES



SCOTT W. LAY, SUPERINTENDENT

380 Crown Point Circle
Grass Valley, CA 95945
530-478-6400 - fax 530-478-6410

May 22, 2018

**Reviewed and approved by
Judge Anderson 19 Jun 2018**

The Honorable Thomas Anderson
Supervising Judge of the Grand Jury
201 Church Street
Nevada City, CA 95959

Dear Honorable Thomas Anderson:

The following is the required response to the 2017-2018 Nevada County Grand Jury report entitled, "Safety and Security at Nevada County Schools". As the report was not received until the same day the response was due, we are responding in a timely manner allowing us adequate time to review the report.

We are grateful to the Grand Jury for the timely review of school safety and security. The Nevada County Superintendent of Schools Office views the safety of school staff and students as the number one priority for all school sites. Nevada County Superintendent of Schools Office serves as a resource, through our School Safety and Climate Coordinator, to the public and charter schools in Nevada County. We are not directly responsible for the development or implementation of Comprehensive School Safety Plans, mandates, or best practices for the schools in our county, with the exception of Earle Jamieson, but seek to serve them with timely, evidence-based, best practices and training to ensure the safety of staff and students. We appreciate your statement, "There is no absolute means to prevent a crisis from happening within our County" but seek to plan, prevent, and mitigate all that we can to reduce risk, threats, and disasters.

As required by Penal Code Section 933.05, the Nevada County Superintendent of Schools Office response in regard to Recommendations:

RECOMENDATIONS:

Recommendation 1

The Nevada County Superintendent of School should coordinate with school districts, law enforcement, parents and guardians, and students in the development of a highly summarized parents' guide on what to do and not to do when a lockdown or other emergency happens. This guide should contain uniform instructions that are generic to all schools. Additionally, each school should add instructions that are site specific to their school location and circumstances and distribute to

teachers, parents and guardians, and high school students at the beginning of the year and each semester thereafter.

The development of a parent's guide would help to improve communication, alleviate fear, and assure parents that collaboration between responding agencies is in place and practiced. The recommendation requires further analysis, collaboration and discussion between agencies and school sites. Nevada County Superintendent of Schools does not have the authority to require school districts to participate in the development of such a guide but is willing to collaborate and provide resources as requested.

Recommendation 2

The Nevada County Superintendent of Schools should coordinate with school districts, law enforcement, parents and guardians, and students to develop a uniform, workable plan that responds to the appropriate use of social media during actual emergencies and drill exercises.

Social media plays a large role in the response to emergencies and drill exercises and should be considered in the preparation of Comprehensive School Safety Plans. Nevada County Superintendent of Schools does not have the authority to require school districts to participate in the development of such a plan but is willing to collaborate and provide resources for best practices as requested.

Recommendation 3

The Nevada County Superintendent of Schools should develop the means to train teachers in uniform safety and security protocols and include the exercise and use of the "ALICE" standard in each of the schools. Additionally, each school district's board should direct and fund the deployment of this training and exercise.

The Nevada County Superintendent of Schools, through the Safety and School Climate Coordinator currently offers uniform safety and security protocols and ALICE training free of charge to all schools in Nevada County. It is at the discretion of school sites to take advantage of and secure training dates. Time restraints appear to be a barrier to this recommendation.

Recommendation 4

The Nevada County Superintendent of Schools should coordinate with districts and schools to establish a standard of communication between the front office and the teachers, regardless of their location.

The Nevada County Superintendent of Schools does not have the authority to establish a standard of communication for school site communication systems. Each school site must consider the communication means and methods in place on their specific site. The Nevada County Superintendent of Schools is willing to provide resources and recommendations for best practices to school sites as requested.

Recommendation 6

The Nevada County Superintendent of Schools, school districts, and local law enforcement should collaborate on the use and deployment of Resource Officers that encompass all of our schools.

The Nevada County Superintendent of Schools does not have the authority or jurisdiction over School Resource officers to make decisions on the use and deployment of Resource Officers. However, collaboration and discussion between schools, districts, and law enforcement on the most effective use and deployment of Resource Officers would be of value. Nevada County Superintendent of Schools is willing to offer support and recommendations for best practices to participating school districts and law enforcement agencies.

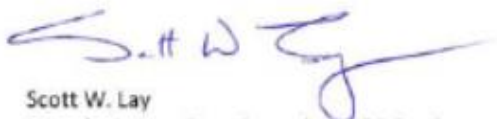
Recommendation 7

A working group of the Nevada County Superintendent of Schools, the Nevada County Sheriff's Office, the Grass Valley Police Department, the Nevada City Police Department, Nevada County Behavioral Health (especially concerning behavior of the assailant), and school administration and staff should be created to develop a model program for all schools to utilize when examining and creating their own outside assembly and accounting program.

Nevada County Superintendent of School works closely with all of the above-mentioned agencies in an effort to develop model program resources based on best practices for safety. The development for outside assembly and accounting programs are dependent on school site, size, population, and environment. Input from law enforcement and fire services are sought prior to the establishment of assembly sites and accountability protocol. In response to recent incidents nation-wide, assembly locations have been reviewed and changed on some of the Nevada County school sites. Each school site must develop a plan that considers all hazards and security and make accommodations for safe evacuation sites and accountability protocol. Nevada County Superintendent of Schools is willing to offer continued support on this endeavor.

Thank you for your countywide safety assessment of our local schools. We continue to make changes based on "lessons learned" to assure the safety and security of our staff and students on all Nevada County school sites.

Sincerely,



Scott W. Lay
Nevada County Superintendent of Schools



CHICAGO PARK SCHOOL DISTRICT
15725 Mt. Olive Road, Grass Valley, CA 95945
(530) 346-2153 Fax (530) 346-8559
Dan Zeisler, Superintendent

Katie Kohler, Principal

The Honorable Thomas Anderson
Supervising Judge of the Grand Jury
201 Church Street
Nevada City, CA 95959

May 24, 2018

Dear Honorable Thomas Anderson,

TO: Audrey G
Re: Cal
Reviewed by TMA
6/27/18

Pursuant to Penal Code 933.05, here are the requested responses from the Chicago Park School District to Recommendations R1, R2, R3, R4, R5, R6, and R8 found in the Grand Jury's report on *Safety and Security at Nevada County Schools*:

Recommendations

R1 The Nevada County Superintendent of Schools should coordinate with school districts, law enforcement, parents and guardians, and students in the development of a highly summarized parents' guide on what to do and not to do when a lockdown or other emergency happens. This guide should contain uniform instructions that are generic to all schools. Additionally, each school should add instructions that are site specific to their school location and circumstances and distribute to teachers, parents and guardians, and high school students at the beginning of the year and each semester thereafter.

Agree

Our current emergency plan does not include a parents' guide. A template from the Nevada County Schools Office (NCSOS) that our District could customize would serve as an asset to our community and communicate proper protocol during an emergency.

R2 The Nevada County Superintendent of Schools should coordinate with school districts, law enforcement, parents and guardians, and students to develop a uniform, workable plan that responds to the appropriate use of social media during actual emergencies and drill exercises.

Agree

The appropriate use of social media by parents and students during actual school emergencies should be addressed in the parents' guide referred to in R1.

R3 The Nevada County Superintendent of Schools should develop the means to train teachers in uniform safety and security protocols and include the exercise and use of the "ALICE"



CHICAGO PARK SCHOOL DISTRICT
 15725 Mt. Olive Road, Grass Valley, CA 95945
 (530) 346-2153 Fax (530) 346-8559
 Dan Zeisler, Superintendent

Katie Kohler, Principal

standard in each of the schools. Additionally, each school district's board should direct and fund the deployment and training of this exercise.

Disagree

The NCSOS already has developed a means to train teachers (and students) in uniform safety and security protocols that include "ALICE" training. Chris Espedal, the NCSOS Safety and School Climate Coordinator has already in-serviced staff and students at Chicago Park, with plans to have her back on an annual basis for on-going teacher training. It is not the board's position to direct and fund an exercise such as this; it is an administrative duty.

R4 The Nevada Superintendent of Schools should coordinate with districts and schools to establish a standard of communication between the front office and the teachers, regardless of their location.

Disagree

Communications during an emergency between our front office and teachers is in place as stated in our local emergency procedures plan. Once teachers have been contacted by the office, a call to the NCSOS to make them aware of our emergency is protocol.

R5 Each district and school should conduct a thorough physical evaluation of classroom security and visibility including inside door locks, appropriate shading, and camera systems. Each school should be required to be in conformance with the physical demands and characteristics of a comprehensive school safety plan.

Agree

All classrooms at Chicago Park have inside door locks, appropriate shading, and evacuation routes listed by the entrance of the room. There is a camera system installed with 13 strategically placed cameras around the campus for security measures. An updated comprehensive federal and local school safety plan was approved by our safety committee and school board in the Spring of 2018. A quick reference guide which lists procedures for emergencies such as lockdowns, evacuation for wildfire, shelter in place, emergency phone numbers, etc., is readily accessible for teachers in their classrooms.

R6 The Nevada County Superintendent of Schools, school districts, and local law enforcement should collaborate on the use and deployment of Resource Officers that encompass all of our schools.

Neither Agree or Disagree



CHICAGO PARK SCHOOL DISTRICT
 15725 Mt. Olive Road, Grass Valley, CA 95945
 (530) 346-2153 Fax (530) 346-8559
 Dan Zeisler, Superintendent

Katie Kohler, Principal

When an officer's presence is needed on campus (which is not very often), our protocol is to contact Dispatch at the County Sheriff's Dept. and they send a deputy out. Sometimes it's a Resource Officer and sometimes it is not. Based on our distance from where our Resource Officers are stationed, I am glad that our needs are not solely limited to the availability of a Resource Officer and a patrol car is sent instead.

RB Following the creation of a model program for outside assembly and accounting, each school district should direct their schools to exercise this model and, in conjunction with local law enforcement, develop and incorporate the site-specific procedures necessary to conduct a safe and secure evacuation.

Agree

Chicago Park practices evacuation drills on a monthly basis. Students are not excused from the drill until everyone is accounted for. A discussion at the following staff meeting ensues to assure we are operating in the safest, most efficient manner when conducting these drills. Evacuation routes are posted inside each classroom including the computer lab, art room, and gymnasium. A master key has been placed in a lock box (at the request of law enforcement) at the Chicago Park Store so they would have immediate access to all buildings on campus upon arrival.

CONCLUSION

We are very proactive at Chicago Park School when it comes to safety. We practice fire and earthquake drills as well as lockdowns and shelter in place. Our safety committee meets monthly and reviews our local safety plan throughout the year. We have brought in Chief Bierwagen from the Chicago Park/Peardale fire department to help us develop a wildfire evacuation plan. We are constantly bringing updated safety policies to the Board to maintain a policy binder that reflects the most current practices available to us. One of the most valuable tools for safety we have is Chris Espedal, our County School Safety and Climate Coordinator. She has provided a wealth of knowledge to staff by conducting brief yet powerful trainings in ALICE, and met with our K-3 and 4-8 students at assemblies to discuss safety not only at school, but at home and while in the community.

I am grateful the Grand Jury has taken an active role in assessing the safety of our schools.

Thank you,

Dan Zeisler
 Superintendent

**Clear Creek
Elementary School District**

"since 1867"



The Honorable Thomas Anderson
Supervising Judge of the Grand Jury
201 Church Street
Nevada City, CA 95959

Board of Trustees
Tania Fisher
Patsy Hambrick
Bart Riebe
Daron Scarborough
Karon Wallace

May 27, 2018

**Reviewed and approved by
Judge Anderson 19 Jun 2018**

Superintendent
Dan Zentler

Dear Honorable Thomas Anderson,

Pursuant to Penal Code 933.05, here are the requested responses from the Clear Creek School District to Recommendations R1, R2, R3, R4, R5, R6, and R8 found in the Grand Jury's report on *Safety and Security at Nevada County Schools*:

Recommendations

R1 The Nevada County Superintendent of Schools should coordinate with school districts, law enforcement, parents and guardians, and students in the development of a highly summarized parents' guide on what to do and not to do when a lockdown or other emergency happens. This guide should contain uniform instructions that are generic to all schools. Additionally, each school should add instructions that are site specific to their school location and circumstances and distribute to teachers, parents and guardians, and high school students at the beginning of the year and each semester thereafter.

Agree

As our current plan does not include a parent guide, uniform instructions developed in conjunction with the Nevada County Superintendent of Schools and law enforcement would provide beneficial information to our community members on what to do and what not to do in an emergency situation.

R2 The Nevada County Superintendent of Schools should coordinate with school districts, law enforcement, parents and guardians, and students to develop a uniform, workable plan that responds to the appropriate use of social media during actual emergencies and drill exercises.

Agree

A workable uniform plan for the use of social media during an emergency and drills would be beneficial to our parents and school community.

R3 The Nevada County Superintendent of Schools should develop the means to train teachers in uniform safety and security protocols and include the exercise and use of the "ALICE" standard in each of the schools. Additionally, each school district's board should direct and fund the deployment and training of this exercise.

"A California Distinguished School"
17700 McCourtney Road • Grass Valley, CA 95949
(530) 273-3664 • FAX (530) 273-4168

Disagree

Our school has have taken advantage of the "ALICE" training provided by the Nevada County Superintendent of School's Safety Coordinator. She has also provided input into updating our Comprehensive School Safety Plan. She is scheduled to return at the beginning of next school year to do refresher training for our staff. It is not the responsibility of the school board to direct the deployment of this training and exercise. It is an administrative responsibility.

R4 The Nevada Superintendent of Schools should coordinate with districts and schools to establish a standard of communication between the front office and the teachers, regardless of their location.

Disagree

It might be difficult for the Superintendent's office to establish a standard means of secure communication at all schools because each school varies in staffing, layout, and equipment. Our school has established procedures for communication between staff and the office in both our Comprehensive and local safety plan.

R5 Each district and school should conduct a thorough physical evaluation of classroom security and visibility including inside door locks, appropriate shading, and camera systems. Each school should be required to be in conformance with the physical demands and characteristics of a comprehensive school safety plan.

Agree

Clear Creek has inside door locks, shading for doors and windows, and we installed 9 security cameras in December of 2017. We have updated our Comprehensive School Safety Plan and it has been approved by our safety committee and school board. A quick reference guide which describes what to do in various emergencies has also been updated and posted in rooms throughout the school.

R6 The Nevada County Superintendent of Schools, school districts, and local law enforcement should collaborate on the use and deployment of Resource Officers that encompass all of our schools.

Partially Agree

The use and deployment of Resource Officers could be helpful, but funding and school location may not make this recommendation feasible. If an officer's presence is needed on campus, our protocol is to contact Dispatch at the Nevada County Sheriff's Dept. to send a

deputy out. Based on the distance from where Resource Officers are stationed and our rural school location, the deployment of a Resource Officer may not meet our needs in an emergency.

RB Following the creation of a model program for outside assembly and accounting, each school district should direct their schools to exercise this model and, in conjunction with local law enforcement, develop and incorporate the site-specific procedures necessary to conduct a safe and secure evacuation.

Agree


We have a fire evacuation plan and have arrangements with neighboring properties to allow for a school evacuation should that be the safest direction to go in case of a school emergency. As a school, we practice fire, shelter in place, lockdown, and earthquake drills as required which includes taking attendance for all classes. We have evacuation routes posted in classrooms and have purchased lockdown kits for every classroom if there is a need to shelter in place for a longer period of time.

CONCLUSION

The safety of all of students, staff, and parents is an important topic at Clear Creek. We practice drills regularly. Our Safety Committee/Site Council meets monthly to review both our comprehensive and local plans in order to provide input on updates or to refine procedures. Our School Board reviews important policies such as Anti Bullying, Harassment, and Suicide Prevention and updates policies as needed. We have brought Chris Espedal, the Nevada County Safety Coordinator to our school to train staff on the ALICE protocol. The principal has met with Chris Espedal on two occasions in order for her to provide information on best practices and update safety procedures as they evolve and change. She is scheduled to return at the beginning of the next school year to provide refresher training for returning staff and initial training for our new staff members.

I am grateful the Grand Jury has taken an active role in assessing the safety of our schools.

Thank you,


Dan Zeisler
Superintendent



Grass Valley School District

page 13

10840 Gilmore Way
Grass Valley, CA 95945
(930) 273-4483
FAX (930) 273-0248

Eric Fredrickson
Superintendent

June 12, 2018

Reviewed and approved by
Judge Anderson 19 Jun 2018

Honorable Thomas M. Anderson
Supervising Judge of the Grand Jury
210 Church Street
Nevada City, CA 95959

Re: Grass Valley School District, Response to the Nevada County May 4, 2018 Grand Jury Report, "Safety and Security at Nevada County Schools"

Honorable Judge Anderson:

Pursuant to California Penal Code sections 933 and 933.05, the Board of Education of the Grass Valley School District hereby submits its formal response to the 2017-2018 Nevada County Grand Jury Report entitled, "Safety and Security at Nevada County Schools"

OVERVIEW OF BOARD'S RESPONSE

The Grass Valley School District and Board of Trustees are grateful to the Grand Jury for the timely review of school safety and security. The Grass Valley School District views the safety of school staff and students as the number one priority for all school sites. We appreciate your statement, "There is no absolute means to prevent a crisis from happening within our County" but seek to plan, prevent, and mitigate all that we can to reduce risk, threats, and disasters.

BOARD OF EDUCATION'S RESPONSE TO GRAND JURY'S RECOMMENDATIONS

R1 The Nevada County Superintendent of Schools should coordinate with school districts, law enforcement, parents and guardians, and students in the development of a highly summarized parents' guide on what to do and not to do when a lockdown or other emergency happens. This guide should contain uniform instructions that are generic to all schools. Additionally, each school should add instructions that are site specific to their school location and circumstances and distribute to teachers, parents and guardians, and high school students at the beginning of the year and each semester thereafter.

Agree

The development of a parent's guide would help to improve communication, alleviate fear, and assure parents that collaboration between responding agencies is in place and practiced. The recommendation requires further analysis, collaboration and discussion

Bell Hill Academy
(930) 273-2281

Scotten School
(930) 273-6472

Lyman Gilmore Middle School
(930) 273-8479

Grass Valley Charter School
(930) 273-8723

Child Development
(930) 273-9528

between agencies and school sites. The Grass Valley School District is willing to collaborate and participate in the development of such a guide.

R2 The Nevada County Superintendent of Schools should coordinate with school districts, law enforcement, parents and guardians, and students to develop a uniform, workable plan that responds to the appropriate use of social media during actual emergencies and drill exercises.

Agree

Social media plays a large role in the response to emergencies and drill exercises and should be considered in the revisions of the Comprehensive Safety Plans. The Grass Valley School District is willing to collaborate and participate in developing this resource.

R3 The Nevada County Superintendent of Schools should develop the means to train teachers in uniform safety and security protocols and include the exercise and use of the "ALICE" standard in each of the schools. Additionally, each school district's board should direct and fund the deployment of this training and exercise.

Partially agree

The Nevada County Superintendent of Schools, through the Safety and School Climate Coordinator currently offers uniform safety and security protocols and ALICE training free of charge to all schools in Nevada County. All schools in the Grass Valley School District participates in this training offered by the Nevada County Superintendent of Schools Office and has implemented the "ALICE" standard in all of our school sites and programs.

R4 The Nevada County Superintendent of Schools should coordinate with districts and schools to establish a standard of communication between the front office and the teachers, regardless of their location.

Disagree

The Nevada County Superintendent of Schools does not have the authority to make recommendations for school site communication systems. Each school site must consider the communication means and methods in place on their specific site. The Grass Valley School District schools coordinate with the District for consistency in this area of safety.

R5 Each district and school should conduct a thorough physical evaluation of classroom security and visibility including inside door locks, appropriate shading, and camera systems. Each school should be required to be in conformance with the physical demands and characteristics of a comprehensive school safety plan.

Agree

The Grass Valley School District has conducted a thorough physical evaluation of classroom security and has made improvements including modifying door locks, adding window shades, and security cameras at all school sites, preschools, and district buildings.

This is part of the Grass Valley School Districts' Comprehensive Safety Plan and reviewed annually in District Safety Committee meetings.

R6 The Nevada County Superintendent of Schools, school districts, and local law enforcement should collaborate on the use and deployment of Resource Officers that encompass all of our schools.

Partially Agree

The Grass Valley School District does not have the authority or jurisdiction over School Resource Officers to make decisions on the use and deployment of Resource Officers. However, collaboration and discussion between schools, districts, and law enforcement on the most effective use and deployment of Resource Officers would be of value.

R8 Following the creation of a model program for outside assembly and accounting, each school district should direct their schools to exercise this model and, in conjunction with local law enforcement, develop and incorporate the site-specific procedures necessary to conduct a safe and secure school evacuation.

Agree

The Grass Valley School District has a Comprehensive Safety Plan in place and part of that plan is site-specific process and procedures to safely evacuate all students and staff, to a safe off-site location if needed. The Grass Valley School District and all its school sites have specific plans in place and coordinate with local law enforcement and the Nevada County Superintendent of Schools when conducting drills to, to the best of our ability, plan and improve this process.

CONCLUSION

Thank you for your countywide safety assessment of our schools. We shall continue to make changes based on "lessons learned" to assure the safety and security of our staff and student on all Grass Valley School District sites.

Sincerely,



Thomas J. Pstfit, President
Board of Education
Grass Valley School District

cc: Members of the GVSD Board of Education
Eric Fredrickson, GVSD Superintendent
Grass Valley School District
10840 Gilmore Way
Grass Valley, CA 95945



Reviewed and approved by
Judge Anderson 19 Jun 2018

The Honorable Thomas Anderson
Supervising Judge of the Grand Jury
201 Church Street
Nevada City, CA 95959

June 12, 2018

Dear Honorable Thomas Anderson:

The following is the required response to the Grand Jury report on the subject of *Safety and Security at Nevada County Schools*.

We are grateful to the Grand Jury for the timely review of school safety and security. The Nevada City Elementary School District views the safety of school staff and students as the number one priority for all school sites. We, as school district employees, are responsible for the development and implementation of Comprehensive School Safety Plans, mandates, and best practices for the schools in our district. This is a responsibility we take seriously. We strive to provide appropriate training regarding these plans to our staff and students each year. We agree with your statement, "There is no absolute means to prevent a crisis from happening within our County" but seek to plan, prevent, and mitigate all that we can to reduce risk, threats, and disasters. For many of us, this responsibility has weighed heavily since Columbine, and thus the concerns you have communicated are shared.

As required by Penal Code Section 933.05, the Nevada County Superintendent of Schools Office response in regard to Recommendations:

Recommendations:

R1 The Nevada County Superintendent of School should coordinate with school districts, law enforcement, parents and guardians, and students in the development of a highly summarized parents' guide on what to do and not to do when a lockdown or other emergency happens. This guide should contain uniform instructions that are generic to all schools. Additionally, each school should add instructions that are site specific to their school location and circumstances and distribute to teachers, parents and guardians, and high school students at the beginning of the year and each semester thereafter.

Agree

The development of a parent's guide would help to improve communication, alleviate fear, and assure parents that collaboration between responding agencies is in place and practiced. The Nevada

City Elementary School District will participate in the development of this guide and make it specific to our schools.

R2 The Nevada County Superintendent of Schools should coordinate with school districts, law enforcement, parents and guardians, and students to develop a uniform, workable plan that responds to the appropriate use of social media during actual emergencies and drill exercises.

Agree

Social media plays a large role in the response to emergencies and drill exercises and should be included in the Parent's Guide referred to in Recommendation 1.

R3 The Nevada County Superintendent of Schools should develop the means to train teachers in uniform safety and security protocols and include the exercise and use of the "ALICE" standard in each of the schools. Additionally, each school district's board should direct and fund the deployment of this training and exercise.

Disagree

The Nevada County Superintendent of Schools, through the Safety and School Climate Coordinator, currently offers uniform safety and security protocols and ALICE training free of charge to all schools in Nevada County. The Nevada City Elementary School District has sought the training from the School Climate Coordinator, and has implemented the guidance shared.

R4 The Nevada County Superintendent of Schools should coordinate with districts and schools to establish a standard of communication between the front office and the teachers, regardless of their location.

Disagree

The Nevada County Superintendent of Schools does not have the authority to make recommendations for school site communication systems. Each school site must consider the communication means and methods in place on their specific site as every school district has different phone and intercom systems.

R6 The Nevada County Superintendent of Schools, school districts, and local law enforcement should collaborate on the use and deployment of Resource Officers that encompass all of our schools.

Agree

The Nevada County Superintendent of Schools does not have the authority or jurisdiction over local law enforcement agencies to make decisions regarding the use and deployment of School Resource Officers. However, collaboration and discussion between schools, districts, and law enforcement on the most effective use and deployment of Resource Officers would be of value.

R8 Following the creation of a model program for outside assembly and accounting, each school district should direct their schools to exercise this model and, in conjunction with law enforcement, develop and incorporate the site-specific procedures necessary to conduct a safe and secure school evaluation.

Partially agree

The development for outside assembly and accounting programs are dependent on school site, size, and environment. Input from law enforcement and fire services are sought prior to establishment of assembly and accountability protocol. Each school site must develop a plan that considers hazards and security then make accommodations for safe evacuation sites and accountability protocol. Safety is the first priority with accountability following.

Thank you for your countywide safety assessment of our local schools. We will continue to make changes based on "lessons learned" to assure the safety and security of our staff and students.

Sincerely,



Trisha Dellis
Superintendent of Nevada City Elementary SD



June 27, 2018
 The Honorable Thomas Anderson
 Supervising Judge of the Grand Jury
 201 Church Street
 Nevada City, CA 95959

Reviewed
 &
 Forwarded
 to GJ
 7/3/2018
 DMK

Dear Honorable Thomas Anderson:

The following is the required response to the 2017-2018 Nevada County Grand Jury report entitled, "Safety and Security at Nevada County Schools."

We appreciate the concern of the Grand Jury for its timely review of school safety and security in light of the recent tragic events at schools in Parkland, FL and throughout the United States. Student and staff safety is a number one priority for the Nevada Joint Union High School District. This priority is articulated and committed to by Resolution #39-17/18 of the Board of Trustees at our regularly scheduled board meeting of June 13, 2018 (copy attached, Exhibit A.)

As required by Penal Code Section 933.05, the Nevada Joint Union High School District response in regard to Recommendations follows hereto:

RECOMMENDATIONS

Recommendation 1

The Nevada County Superintendent of Schools should coordinate with school districts, law enforcement, parents and guardians, and students in the development of a highly summarized parents' guide on what to do and not do when a lockdown or other emergency happens. This guide should contain uniform instructions that are generic to all schools. Additionally, each school should add instructions that are site specific to their location and circumstances and distribute to teachers, parents and guardians, and high school students at the beginning of the year and each semester thereafter.

This recommendation is partially implemented. The Nevada County Superintendent of Schools' office employs a School Safety and Climate Coordinator who provides resources, training and services to all schools in Nevada County. The incumbent employee is a former Nevada Joint Union High School District employee and as such, is deeply informed of the needs of the schools in our district. The Nevada Joint Union High School District is interested in continued analysis, collaboration and discussion between agencies in the development of such a parents' guide. However, we want to make it clear that some site specific information about emergency procedures should not be shared with the public so as to not inform the tactics of the assailant and / or interfere with our schools' ability to address emergency situations effectively.

Recommendation 2

The Nevada County Superintendent of Schools should coordinate with school districts, law enforcement, parents and guardians, and students to develop a uniform, workable plan that responds to the appropriate use of social media during actual emergencies and drill exercises.

This recommendation is partially implemented. The Nevada County Superintendent of Schools' office holds a monthly meeting to bring agencies together in a standing group, Community Agencies United for Safe Schools and Safe Streets, aka CAUSSSS. Held on the first Friday of each month, and hosted by the Grass Valley Police Department, schools, Nevada County Office of the Sherriff, Probation, Child Protective Services, California Highway Patrol, the Office of Emergency Services, Durham School Services and Behavioral Health each attend and share immediate concerns in our schools and on the streets.

At the last meeting, it was reported that the NCSOS hosted a South County Safety Forum on Monday, May 7, 2018 at the Bear River High School Theater. Representatives from Nevada County OES, Sherriff's Office, CHP, Cal Fire, Higgins Fire District and South County school administrators heard about the collaboration efforts of the aforementioned agencies in working to keep schools safe. The Nevada Joint Union High School District hopes to hold a similar event in the North County in the fall.

The Board and Administration of the Nevada Joint Union High School District share the concern of the Grand Jury regarding the use of social media by parents, students and community during possible lockdown situations. The NJUHSO strives to communicate truthful information on a timely basis through our School Messenger system and School District Social Media accounts. Unfortunately, our efforts are often thwarted by unverified information being shared on Social Media diverting our attention from the task at hand. The Nevada Joint Union High School District continues to look forward to ongoing collaboration with the NSCOS' office and community agencies as we strive to develop strategies to communicate timely, truthful information and discourage unfounded rumors on social media.

Recommendation 3

The Nevada County Superintendent of Schools should develop the means to train teachers in uniform safety and security protocols and include the exercise and use of the "ALICE" standard in each of the schools. Additionally, each school district's board should direct and fund the deployment of this training and exercise.

This recommendation is partially implemented with full implementation expected during the Fall Semester of 2018. Review of the ALICE standards were covered at staff meetings in the 2018 Spring Semester. Many of these review sessions were attended or facilitated by the NCSOS' School Safety and Climate Coordinator. Additionally, the Grass Valley Police Department assisted Silver Springs High School in doing a "run, hide, fight" training with students and staff at the school.

The administration of the Nevada Joint Union High School District is in the process of planning a comprehensive ALICE training on the afternoon of our countywide staff development day to be held on Monday, September 17, 2018. We are hoping to use the School Safety and Climate Coordinator along with our Teen CERT (Community Emergency Response Team) to demonstrate various classroom scenarios in which the ALICE (Alert, lockdown, inform, confront, escape) protocol would be implemented. Teachers and staff will be able to observe the drills and debrief. The Nevada Joint Union

High School District would be happy to invite any of the interested feeder school districts to participate in observing the drills and participating in the debrief activities .

Lockdown and evacuation drills are held semi-annually at our schools, once in the fall and once during the spring. Students will receive ALICE training during those drills.

Additionally, the Board of Trustees did declare its intent to training of staff and student as evidenced by Resolution #39-17/18 adopted by the Board of Trustees at our regularly scheduled board meeting of June 13, 2018 (copy attached, Exhibit A.)

Recommendation 4

The Nevada County Superintendent of Schools should coordinate with the districts and schools to establish a standard means of secure communication between the front office and the teachers, regardless of their location.

This recommendation has been implemented by the Nevada Joint Union High School District. Each school site has a secure telephone number that is not published to the public. Additionally, each classroom has a stocked emergency response bag and a flip chart with protocol for the top 5 – 6 likely emergency situations in our schools.

The Nevada Joint Unified School District has made great progress in this area due to our Measure B bond funding. We installed a new head end Public Address System at both Bear River and Nevada Union. New speakers were installed throughout the campus at Bear River, which had the older of the two systems. During the summer of 2018, a new fully automated fire alarm system is being installed at Bear River High School replacing the original equipment. The Nevada Joint Union High School District is grateful to the voters of Nevada County, for whom school safety was a priority allowing us to do these and other projects.

Recommendation 5

Each district and school should conduct a thorough physical evaluation of classroom security and visibility including inside door locks, appropriate shading, and camera systems. Each school should be required to be in conformance with the physical demands and characteristics of the comprehensive school safety plan.

This recommendation has been implemented by the Nevada Joint Union High School District. The district intends to continue to follow through with ongoing assessment and upgrades to the physical safety of our school sites.

During the summer of 2017, the Nevada Joint Union High School District installed new surveillance cameras throughout our district. The new cameras have a greater range of coverage and detail than our former cameras. With our new camera system we have been able to catch, correct and prosecute a greater number of both student inappropriate behavior and crimes outside of school hours committed on our campuses. The surveillance system was one of our first funded projects through our Measure B bond issuance increasing school safety dramatically. The Nevada Joint Union High School District is grateful to the voters of Nevada County for whom school safety was a priority, allowing us to do this and other projects.

Recommendation 6

The Nevada County Superintendent of Schools, school districts, and local law enforcement should collaborate on the use and deployment of Resource Officers that encompass all of our schools.

This recommendation has been implemented by the Nevada Joint Union High School District along with the Nevada County Sheriff's Department and the Grass Valley Police Department. The Nevada Joint Union High School District intends to continue to follow through with these partnerships.

Recommendation 8

Following the creation of a model program for outside assembly and accounting, each school district should direct their schools to exercise this model and, in conjunction with local law enforcement, develop and incorporate the site-specific procedures necessary to conduct a safe and secure school evacuation.

This recommendation has been implemented by the Nevada Joint Union High School District. In response to lessons learned by schools throughout the United States after each tragic school shooting, the Nevada Joint Union High School District has made adjustments to outside assembly areas and intends to continue to follow through with ongoing assessment and adjustments.

Regretfully, the Nevada Joint Union High School District must agree with the Grand Jury's conclusion that we cannot absolutely prevent a crisis. However, we can and will improve not only our schools' physical safety but the relationships within our schools and community.

Additionally, the Nevada Joint Union High School District wishes to assure the Grand Jury and the entire school community that, just as we plan and prepare for an active shooter event, we plan and prepare for other events that present a clear and present danger to our community including wild fire, flooding and extreme weather events. The NJUHSD wants to thank and commend the collaborative nature of the NCSOS, the County of Nevada, our local law enforcement and fire agencies and all who work diligently and selflessly to make our community a better place to live, work and go to school.

Sincerely,



Drew
President

Nevada Joint Union High School District Board of Trustees

PENN VALLEY UNION ELEMENTARY SCHOOL DISTRICT

14806 Pleasant Valley Rd., Penn Valley, CA 95946-9722
Phone (530) 432-7311 Fax (530) 432-7314
www.pvuensd.org

Torie F. England, Ed.D. - Superintendent



BY:

The Honorable Thomas Anderson
Supervising Judge of the Grand Jury
201 Church Street
Nevada City, CA 95959

Reviewed
8/2/18
TM

July 19, 2018

Dear Honorable Thomas Anderson,

Pursuant to Penal Code 933.05, here are the requested responses from the Penn Valley Union Elementary School District to Recommendations R1, R2, R3, R4, R5, R6, and R8 found in the Grand Jury's report on *Safety and Security at Nevada County Schools*:

Recommendations

R1 The Nevada County Superintendent of Schools should coordinate with school districts, law enforcement, parents and guardians, and students in the development of a highly summarized parents' guide on what to do and not to do when a lockdown or other emergency happens. This guide should contain uniform instructions that are generic to all schools. Additionally, each school should add instructions that are site specific to their school location and circumstances and distribute to teachers, parents and guardians, and high school students at the beginning of the year and each semester thereafter.

Agree

Our current emergency plan does not include a parents' guide. A template from the Nevada County Schools Office (NCSOS) that our District could customize would serve as an asset to our community and communicate proper protocol during an emergency.

R2 The Nevada County Superintendent of Schools should coordinate with school districts, law enforcement, parents and guardians, and students to develop a uniform, workable plan that responds to the appropriate use of social media during actual emergencies and drill exercises.

Agree

The appropriate use of social media by parents and students during actual school emergencies should be addressed in the parents' guide referred to in R1.

R3 The Nevada County Superintendent of Schools should develop the means to train teachers in uniform safety and security protocols and include the exercise and use of the "ALICE" standard in each of the

schools. Additionally, each school district's board should direct and fund the deployment and training of this exercise.

Disagree

The NCSOS already has developed a means to train teachers (and students) in uniform safety and security protocols that include "ALICE" training. Chris Espedal, the NCSOS Safety and School Climate Coordinator has already in-serviced staff throughout the Penn Valley Elementary School District, with plans to complete "refresher" professional development each year. It is not the Board's position to direct and fund an exercise such as this; it is an administrative duty.

R4 The Nevada Superintendent of Schools should coordinate with districts and schools to establish a standard of communication between the front office and the teachers, regardless of their location.

Disagree

Communications during an emergency between our front office and teachers is in place as stated in our local emergency procedures plan. Once teachers have been contacted by the office, a call to the NCSOS to make them aware of our emergency is protocol.

R5 Each district and school should conduct a thorough physical evaluation of classroom security and visibility including inside door locks, appropriate shading, and camera systems. Each school should be required to be in conformance with the physical demands and characteristics of a comprehensive school safety plan.

Agree

It is our protocol to keep all classroom doors locked during the school day as both of our campuses are open where the community has access. Appropriate shading and evacuation routes are posted at the entrance of every room. We have video surveillance on both campuses that are used regularly as needed for safety precautions. An updated comprehensive federal and local school safety plan was approved by our stakeholder groups and Board of Trustees in February 14, 2018. A quick reference guide which lists procedures for emergencies such as lockdowns, evacuation for wildfire, shelter in place, emergency phone numbers, etc., is readily accessible for teachers in their classrooms.

R6 The Nevada County Superintendent of Schools, school districts, and local law enforcement should collaborate on the use and deployment of Resource Officers that encompass all of our schools.

Neither Agree or Disagree

When an officer's presence is needed on campus (which is not very often), our protocol is to contact Dispatch at the Nevada County Sheriff's Dept. and they send a deputy out. Sometimes it is a Resource Officer and sometimes it is not. Based on our distance from where our Resource Officers are stationed, I am glad that our needs are not solely limited to the availability of a Resource Officer and a patrol car is sent instead.

R8 Following the creation of a model program for outside assembly and accounting, each school district should direct their schools to exercise this model and, in conjunction with local law enforcement, develop and incorporate the site-specific procedures necessary to conduct a safe and secure evacuation.

Agree

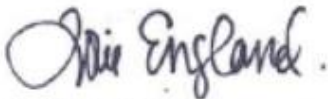
The Penn Valley School District practices evacuation drills on a monthly basis. Students are not excused from the drill until everyone is accounted for. A discussion at the following staff meeting ensues to assure we are operating in the safest, most efficient manner when conducting these drills. Evacuation routes are posted inside each classroom including the computer lab, art room, and gymnasium. A master key has been placed in a lock box (at the request of law enforcement) so they would have immediate access to all buildings on campus upon arrival.

CONCLUSION

We are very proactive throughout the Penn Valley Union Elementary School District when it comes to safety. We practice fire and earthquake drills, as well as lockdowns and shelter in place. Our stakeholder groups meet regularly and reviews our local safety plan throughout the year. We are constantly bringing updated safety policies to the Board to maintain a policy binder that reflects the most current practices available to us. One of the most valuable tools for safety we have is Chris Espedal, our Nevada County School Safety and Climate Coordinator. She has provided a wealth of knowledge to staff by conducting powerful trainings in ALICE along with the Penn Valley Fire District, Cal Fire, and local law enforcement.

We appreciate the Grand Jury and community for taking an active role in assessing the safety of our schools.

Thank you,



Torie F. England, Ed.D.
Superintendent

PENN VALLEY UNION ELEMENTARY SCHOOL DISTRICT
14806 Pleasant Valley Rd., Penn Valley, CA 95946-9722
Phone (530) 432-7311 Fax (530) 432-7314



July 30, 2018

The Honorable Thomas Anderson
Supervising Judge of the Grand Jury
201 Church Street
Nevada City, CA 95959

Reviewed
8/20/18
TMA

Dear Honorable Thomas Anderson:

The following is the required response to the 2017-2018 Nevada County Grand Jury report entitled, "Safety and Security at Nevada County Schools". As the report was not received until the same day the response was due, we are responding in a timely manner allowing us adequate time to review the report.

We are grateful to the Grand Jury for the timely review of school safety and security. Pleasant Ridge Union School District views the safety of school staff and students as the number one priority for all school sites. We appreciate your statement, "There is no absolute means to prevent a crisis from happening within our County" but seek to plan, prevent, and mitigate all that we can to reduce risk, threats, and disasters.

As required by Penal Code Section 933.05, Pleasant Ridge Union School District's response in regard to Recommendations:

RECOMMENDATIONS:

Recommendation 1

The Nevada County Superintendent of School should coordinate with school districts, law enforcement, parents and guardians, and students in the development of a highly summarized parents' guide on what to do and not to do when a lockdown or other emergency happens. This guide should contain uniform instructions that are generic to all schools. Additionally, each school should add instructions that are site specific to their school location and circumstances and distribute to teachers, parents and guardians, and high school students at the beginning of the year and each semester thereafter.

The development of a parent's guide would help to improve communication, alleviate fear, and assure parents that collaboration between responding agencies are in place and practiced. The recommendation requires further analysis, collaboration and discussion between agencies and school sites. Pleasant Ridge Union School District would participate in the development of such a guide and is willing to collaborate for completion of a county wide parent's guide.



The Pleasant Ridge Union School District provides a safe and engaging environment where students develop academic, social and life skills to become productive, responsible citizens in a constantly changing global society.

22580 Kingston Lane, Grass Valley, California 95949 ~ 530-268-2800 ~ www.prsd.us



Recommendation 2

The Nevada County Superintendent of Schools should coordinate with school districts, law enforcement, parents and guardians, and students to develop a uniform, workable plan that responds to the appropriate use of social media during actual emergencies and drill exercises.

Social media plays a large role in the response to emergencies and drill exercises and should be considered in the preparation of Comprehensive School Safety Plans. Nevada County Superintendent of Schools does not have the authority to require school districts to participate in the development of such a plan, but Pleasant Ridge Union School District is willing to collaborate and develop best practices. May of this school year South County schools organized with NCSOS a safety forum which included all first responders of Nevada County.

Recommendation 3

The Nevada County Superintendent of Schools should develop the means to train teachers in uniform safety and security protocols and include the exercise and use of the "ALICE" standard in each of the schools. Additionally, each school district's board should direct and fund the deployment of this training and exercise.

The Nevada County Superintendent of Schools, through the Safety and School Climate Coordinator, currently offers uniform safety and security protocols and ALICE training free of charge to all schools in Nevada County. Pleasant Ridge has used the county Safety and School Climate Coordinator to train staff at Pleasant Ridge Union School District.

Recommendation 4

The Nevada County Superintendent of Schools should coordinate with districts and schools to establish a standard of communication between the front office and the teachers, regardless of their location.

The Nevada County Superintendent of Schools does not have the authority to establish a standard of communication for school site communication systems. Pleasant Ridge has the ability to communicate at each of their school sites through office to classroom intercom systems. Also, each classroom has a phone that each teacher can be contacted on.

Recommendation 5

Each school district and school should conduct a thorough physical evaluation of classroom security and visibility including inside door locks, appropriate shading, and camera systems. Each school should be required to be in conformance with the physical demands and characteristics of a comprehensive school plan.

Pleasant Ridge Union School District updates their safety plan annually with the assistance of parents, community agencies and school officials. With the required mandatory safety drills, school officials seek input from all members that participate in those safety drills. When the evaluation comes back of needed improvement, the school and district address those issues immediately. All schools within the district have surveillance cameras in strategic locations for safety purposes. The district purchased more last year to cover more outlying areas. All schools within PRUSD update and comply with the site comprehensive safety plan.

Recommendation 6

The Nevada County Superintendent of Schools, school districts, and local law enforcement should collaborate on the use and deployment of Resource Officers that encompass all of our schools.

Pleasant Ridge School District does not have the authority or jurisdiction over School Resource officers to make decisions on the use and deployment of Resource Officers.

However, collaboration and discussion between schools and law enforcement on the most effective use and deployment of Resource Officers would be of value. Nevada County Superintendent of Schools has offered support and recommendations for best practices to participating school districts and law enforcement agencies through monthly CAUSSSS meetings.

Recommendation 8

Following the creation of a model program for outside assembly and accounting, each school district should direct their schools to exercise this model and, in conjunction with local law enforcement, develop and incorporate the site-specific procedures necessary to conduct a safe and secure school evacuation.

Pleasant Ridge Union School District agrees with this recommendation and has been in conversation with local policing authorities as well as the local fire department to assist with this evacuation. In May of this year, South County schools along with NCSOS organized a school and community forum where all members of the community were invited to understand how each agency is important to overall school safety. PRUSD will continue to work with the local agencies in making sure our students are safe during school hours as well as on the way home.

Thank you for your countywide safety assessment of our local schools. We continue to make changes based on "lessons learned" to assure the safety and security of our staff and students on all Nevada County school sites.

Sincerely,

Deanne Opdahl
Angela Giordano
Jay Adamson
Jonathan Salter
Kelly McKinley

Pleasant Ridge Union School District
Board of Trustees

Co: Rusty S. Clark, Superintendent
Pleasant Ridge Union School District
22580 Kingston Lane
Grass Valley, CA 95949



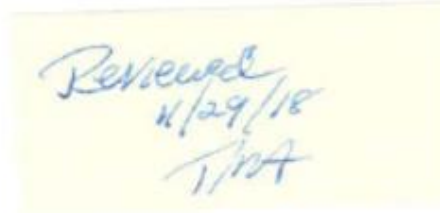
Twin Ridges Elementary School District

James Borardi, Superintendent/Principal

16661 Old Mill Road
Nevada City, CA 95959

(530) 265-9052
FAX (530) 265-3049

The Honorable Thomas Anderson
Supervising Judge of the Grand Jury
201 Church Street
Nevada City, CA 95959



October 29, 2018

Dear Honorable Thomas Anderson,

Pursuant to Penal Code 933.05, here are the requested responses from the Twin Ridges Elementary School District to Recommendations R1, R2, R3, R4, R5, R6, and R8 found in the Grand Jury's report on *Safety and Security at Nevada County Schools*:

Recommendations

R1 The Nevada County Superintendent of Schools should coordinate with school districts, law enforcement, parents and guardians, and students in the development of a highly summarized parents' guide on what to do and not to do when a lockdown or other emergency happens. This guide should contain uniform instructions that are generic to all schools. Additionally, each school should add instructions that are site specific to their school location and circumstances and distribute to teachers, parents and guardians, and high school students at the beginning of the year and each semester thereafter.

Agree

We feel that The Nevada County Superintendent of Schools (NCSoS) has worked well with the districts within the county. They have provided a template that standardizes the process of creating a comprehensive Safety Report. However, our current emergency plan does not include a parents' guide. Any additional assistance in this would be greatly appreciated. Small districts within the county do not have the human resources that the larger districts have in order to complete these tasks.

R2 The Nevada County Superintendent of Schools should coordinate with school districts, law enforcement, parents and guardians, and students to develop a uniform, workable plan that responds to the appropriate use of social media during actual emergencies and drill exercises.

Agree

The district agrees in the idea of having a uniform and workable plan. However, the rural isolation of the Twin Ridges School District reduces and limits the extent of dissemination of information through all social media. Many of our families are not connected either out of choice or the unavailability of these platforms.

R3 The Nevada County Superintendent of Schools should develop the means to train teachers in uniform safety and security protocols and include the exercise and use of the "ALICE" standard in each of the schools. Additionally, each school district's board should direct and fund the deployment and training of this exercise.

Disagree

The NCSOS already has developed a means to train teachers (and students) in uniform safety and security protocols that include "ALICE" training. Chris Espedal, the NCSOS Safety and School Climate Coordinator has already in-serviced staff and students at Twin Ridges for several years in a row. This is an administrative function, not a board duty.

R4 The Nevada Superintendent of Schools should coordinate with districts and schools to establish a standard of communication between the front office and the teachers, regardless of their location.

Disagree

We strongly believe that this is a local decision and would not be effective if it was standardized throughout the county. Our unique isolation and geography is much different than the rest of the other districts within Nevada County. TRESO uses radios as well as an intercom system to communicate with all staff. Once teachers have been contacted by the office, a call to the NCSOS to make them aware of our emergency is protocol.

R5 Each district and school should conduct a thorough physical evaluation of classroom security and visibility including inside door locks, appropriate shading, and camera systems. Each school should be required to be in conformance with the physical demands and characteristics of a comprehensive school safety plan.

Agree

All classrooms at Grizzly Hill have had inside door bolt locks installed recently and window privacy tinting was added this year to all windows. Evacuation routes are posted by the entrance of each classroom. We have a camera system installed with 11 strategically placed cameras around the campus for security measures.

R6 The Nevada County Superintendent of Schools, school districts, and local law enforcement should collaborate on the use and deployment of Resource Officers that encompass all of our schools.

Agree

As was stated in previous responses, our isolation could be an issue because of distance from town to either site within the district. If and when we call dispatch, the response time is based on the location of the closest deputy or other peace officer. Twin Ridges would welcome all collaboration between the above mention organizations.

R8 Following the creation of a model program for outside assembly and accounting, each school district should direct their schools to exercise this model and, in conjunction with local law enforcement, develop and incorporate the site-specific procedures necessary to conduct a safe and secure evacuation.

Agree

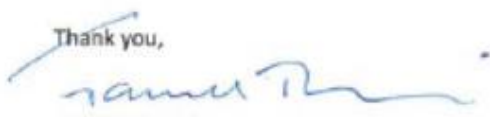
The Twin Ridges Elementary School District practices safety drills on a monthly basis. Students are not excused from the drill until everyone is accounted for. Discussions following these drills with staff allow us to reflect and make changes as necessary. We perceive drills as a fluid process and make adaptations as needed. Further collaboration with law enforcement is planned.

CONCLUSION

Twin Ridges is very proactive when it comes to safety. We practice fire and lockdowns drills and shelter in place on a regular basis. The use of Chris Espedal, our County School Safety and Climate Coordinator, each year has assisted us in keeping our staff up to date on the latest best practices. She has been a wealth of knowledge and a great resource within Nevada County.

We would like to thank you for your continued interest in our student's safety within Nevada County.

Thank you,



James Berardi
Superintendent/Principal



David Curry, Superintendent

A Tradition of Excellence Since 1868

May 23, 2018
The Honorable Thomas Anderson
Supervising Judge of the Grand Jury
201 Church Street
Nevada City, CA 95959



Dear Honorable Thomas Anderson:

The following is the required response to the 2017-2018 Nevada County Grand Jury report entitled, "Safety and Security at Nevada County Schools". As the report was not received until the same day the response was due, we are responding in a timely manner allowing us adequate time to review the report.

We are grateful to the Grand Jury for the timely review of school safety and security. The Union Hill School District views the safety of school staff and students as the number one priority for all school sites. Union Hill School District serves communities in Nevada County through our School Safety Committee. We develop and implement a Comprehensive School Safety Plan, mandates, and best practices for the schools in our district and seek to serve them with timely, evidence-based, best practices and training to ensure the safety of staff and students on all campuses. We appreciate your statement, "There is no absolute means to prevent a crisis from happening within our County" but seek to plan, prevent, and mitigate all that we can to reduce risk, threats, and disasters.

As required by Penal Code Section 933.05, the Union Hill School District response in regard to Recommendations:

RECOMMENDATIONS:

1. The Nevada County Superintendent of School should coordinate with school districts, law enforcement, parents and guardians, and students in the development of a highly summarized parents' guide on what to do and not to do when a lockdown or other emergency happens. This guide should contain uniform instructions that are generic to all schools. Additionally, each school should add instructions that are site specific to their school location and circumstances and distribute to teachers, parents and guardians, and high school students at the beginning of the year and each semester thereafter.

The recommendation has not yet been implemented, and no timeframe has been established for implementation due to the dependency on other agencies.

The development of a parent's guide would help to improve communication, alleviate fear, and assure parents that collaboration between responding agencies is in place and practiced. The

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David Curry, Superintendent

A Tradition of Excellence Since 1868

recommendation requires further analysis, collaboration and discussion between Union Hill School District, Nevada County Superintendent of Schools and agencies.

2. The Nevada County Superintendent of Schools should coordinate with school districts, law enforcement, parents and guardians, and students to develop a uniform, workable plan that responds to the appropriate use of social media during actual emergencies and drill exercises.

The recommendation has not yet been implemented, but will be implemented in the future; with a timeframe for implementation.

Social media plays a large role in the response to emergencies and drill exercises and should be considered in the preparation of Comprehensive School Safety Plans. Union Hill School District has included the role of social media in the Comprehensive School Safety Plan. Union Hill School District does not have authority over Nevada County Superintendent of Schools but will work with NCSOS staff as needed to consider the appropriate use of social media in a crisis.

3. The Nevada County Superintendent of Schools should develop the means to train teachers in uniform safety and security protocols and include the exercise and use of the "ALICE" standard in each of the schools. Additionally, each school district's board should direct and fund the deployment of this training and exercise.

The recommendation has not yet been implemented, but will likely be implemented in the future.

The Nevada County Superintendent of Schools, through the Safety and School Climate Coordinator currently offers uniform safety and security protocols and ALICE training free of charge to all schools in Nevada County. Union Hill School District Safety Committee was trained by NCSOS on May 21 and October 6, 2014 and teachers were trained on August 12 and November 5, 2014. On August 14, 2017 Patti Carter, Office of Emergency Services, spoke to the staff regarding responsibilities emergency situations. Union Hill School District does not have authority over Nevada County Superintendent of Schools but will work with NCSOS staff as needed.

4. The Nevada County Superintendent of Schools should coordinate with districts and schools to establish a standard of communication between the front office and the teachers, regardless of their location.

The recommendation has been implemented.

Union Hill School District does coordinate with Nevada County Superintendent of Schools regarding communication. There are email notifications and phone calls made when incidents

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David Curry, Superintendent

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occur. Union Hill School District has a communication protocol with two-way radios in the hands of every employee for instant communication not matter the location.

5. Each district and school should conduct a thorough physical evaluation of classroom security and visibility including inside door locks, appropriate shading, and camera systems. Each school should be required to be in conformance with the physical demands and characteristics of a comprehensive school safety plan.

The recommendation has been implemented.

The Nevada County Superintendent of Schools does not have the authority to establish a standard of communication for school site communication systems. Each school site must consider the communication means and methods in place on their specific site. The Nevada County Superintendent of Schools does provide resources and recommendations for best practices to Union Hill School District as requested.

Union Hill School District conducts an annual review of the school grounds considering inside door locks, appropriate shading, and camera systems. In the last three years Union Hill School District has ordered and installed blinds for every window and door, retro-fitted door locks to be locked from the inside, and installed over 30 security cameras. In 2018 UHSD installed four new cameras to increase our visibility for security.

6. The Nevada County Superintendent of Schools, school districts, and local law enforcement should collaborate on the use and deployment of Resource Officers that encompass all of our schools.

The recommendation has not yet been implemented.

The Nevada County Superintendent of Schools and Union Hill School District do not have the authority or jurisdiction over School Resource officers to make decisions on the use and deployment of Resource Officers. However, collaboration and discussion between Union Hill School and District, and law enforcement on the most effective use and deployment of Resource Officers would be of value. Union Hill School District is willing to consider support and recommendations for best practices from Nevada County Superintendent of Schools and law enforcement agencies.

8. Following the creation of a model program for outside assembly and accounting, each school district should direct their schools to exercise this model and in conjunction with local law enforcement, develop and incorporate the site-specific procedures necessary to conduct a safe and secure school evacuation.

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David Curry, Superintendent

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The recommendation has been implemented.

Union Hill School District works closely with Nevada County Superintendent of School and all of the above-mentioned agencies in an effort to develop model program resources based on best practices for safety. Union Hill currently has an outside assembly and accounting program. Input from law enforcement and fire services are sought prior to the establishment of assembly sites and accountability protocol and Union Hill School District would welcome the opportunity to collaborate in the future evaluation of these programs. In response to recent incidents nationwide, assembly locations have been reviewed.

Thank you for your countywide safety assessment of our local schools. We continue to make changes based on "lessons learned" to assure the safety and security of our staff and students in Union Hill School District.

Sincerely,

A handwritten signature in blue ink that reads "David B. Curry". The signature is fluid and cursive, with the first name "David" being the most prominent.

David B. Curry
Superintendent

7/18/2018

**NEVADA COUNTY
SHERIFF'S OFFICE**



KEITH ROYAL
SHERIFF / CORONER
PUBLIC ADMINISTRATOR

June 22, 2018

The Honorable Thomas M. Anderson
Presiding Judge of the Grand Jury
201 Church Street
Nevada City, CA 95959

RE: Response to Grand Jury Report on the subject of Safety and Security at Nevada County Schools

Dear Honorable Judge Anderson:

The Nevada County Sheriff's Office appreciates the opportunity to weigh in on this report by the Grand Jury, published on May 9, 2018 regarding Safety and Security at Nevada County Schools. We would have preferred to be included in the actual investigation. Please see our response to recommendations 1, 2, 6, 7, and 8. Although not asked to respond to Recommendation 3, we would like to take the opportunity to share the following links that outline potential issues with the ALICE model that the Grand Jury is promoting.

- <http://www.schoolsecurity.org/trends/alice-training/>
- <https://www.fatherly.com/love-money/alice-training-grade-schools-shooters-gun/>

RECOMMENDATIONS:

1. The Nevada County Superintendent of Schools (NCSOS) should coordinate with school districts, law enforcement, parents and guardians, and students in the development of a highly summarized parents' guide on what to do and not do when a lockdown or other emergency happens. This guide should contain uniform instructions that are generic to all schools. Additionally, each school should add instructions that are site specific to their school locations and circumstances and distribute to teachers, parents, and guardians, and high school students at the beginning of the year and each semester thereafter..

This recommendation is clearly directed at the NCSOS. We will work to help develop a guide if requested by the NCSOS.

2. The NCSOS should coordinate with school districts, law enforcement, parents and guardians, and students to develop a uniform, workable plan that responds to the appropriate use of social media during actual emergencies and drill exercises.

This recommendation is clearly directed at the NCSOS. We will work to help develop a workable plan if requested by NCSOS.

6. The NCSOS, school districts, and local law enforcement should collaborate on the use and deployment of Resource Officers that encompass all of our schools.

This recommendation has been implemented. The Sheriff's Office currently has Resource Officers assigned to Nevada Union and Bear River High Schools. Our Resource Officers also spend time in our middle schools and respond upon request to our elementary schools. Whenever we have been approached by our local schools regarding Resource Officer positions we have been willing to collaborate. We will continue to collaborate regarding our School Resource Officer Program and would be interested in expanding the program dependent upon personnel and funding.

7. A working group of the NCSOS, the Nevada County Sheriff's Office, the Grass Valley Police Department, the Nevada City Police Department, Nevada County Behavioral Health (especially concerning behavior of the assailant), and school administration and staff should be created to develop a model program for all schools to utilize when examining and creating their own outside assembly and accounting program.

This recommendation requires further analysis. If it is the consensus of the suggested participants that this group might be beneficial, we will be happy to participate. It is unclear what a model program for all schools might look like as far as an outside assembly and accounting program since there are so many variables in each school campus and population.

8. Following the creation of a model program for outside assembly and accounting, each school district should direct their schools to exercise this model and in conjunction with local law enforcement, develop and incorporate the site-specific procedures necessary to conduct a safe and secure school evacuation.

See response to prior recommendation. The Sheriff's Office will work with each of the schools in our jurisdiction to plan for safe and secure school evacuations.

The Sheriff's Office would like to thank the members of the 2017-2018 Grand Jury for their participation and effort in preparing their reports. We are committed to providing the highest level of safety and security to our community.

Sincerely,



Keith Royal
Sheriff-Coroner



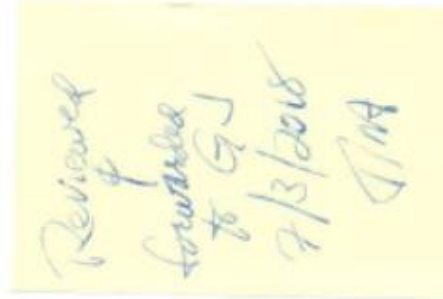
City of Grass Valley Police Department

"Dedication, Excellence and Partnerships"

Alexander K. Gammelgard
Chief of Police

June 27, 2018

The Honorable Tomas Anderson
Supervising Judge of the Grand Jury
201 Church Street
Nevada City, CA 95959



Dear Honorable Thomas Anderson,

The following is our response to the 2017-2018 Grand Jury Report – Safety and Security at Nevada County Schools. The safety of our schools is a critical topic and the Grand Jury’s interest in this matter is appreciated.

As you know, the Grand Jury conducted a safety assessment of our local schools which included interviews with selected school officials. Although, the Grass Valley Police Department was not formally contacted or interviewed by the Grand Jury during the course of their investigation, we certainly are an integral component of any safety plan related to area schools. As such, a response from our agency was requested related to five of the eight recommendations.

The following are our responses:

Recommendation #1:

The Nevada County Superintendent of Schools should coordinate with school districts, law enforcement, parents and guardians, and students in the development of a highly summarized parents’ guide on what to do and not to do when a lockdown or other emergency happens. This guide should contain uniform instructions that are generic to all schools. Additionally, each school should add instructions that are site specific to their school location and circumstances and distribute to teachers, parents and guardians, and high school students at the beginning of the year and each semester thereafter.

Reported Action: The recommendation has been *implemented*.

In early June of 2018, the Grass Valley Police Department was consulted by the Nevada County Superintendent of Schools office about the development of a “parent’s guide” related to lockdown situations and other critical incidents. GVPD staff provided feedback and suggestions regarding the content of a generic “parent’s guide”.

129 South Auburn Street • Grass Valley, California 95945 • Phone (530) 477-4600

Recommendation #2:

The Nevada County Superintendent of Schools should coordinate with school districts, law enforcement, parents and guardians, and students to develop a uniform, workable plan that responds to the appropriate use of social media during actual emergencies and drill exercises.

Reported Action: The recommendation has been *implemented*.

In early June of 2018, Grass Valley Police Department staff, Nevada County Sheriff's Office staff, and Nevada County Superintendent of Schools personnel met to discuss the development of a plan to provide uniform templates to all area schools that could be disseminated via social media during emergencies and training exercises. Appropriate language for a variety of possible scenarios was discussed. The templates included general instructions and information and had space to add specifics depending on the location and event. The Nevada County Superintendent of Schools office was then going to distribute these templates to area schools along with a plan for distribution method and timing.

Recommendation #6:

The Nevada County Superintendent of Schools, school districts, and local law enforcement should collaborate on the use and deployment of Resource Officers that encompass all of our schools.

Reported Action: The recommendation has been *implemented* – as funding has allowed.

The presence of an SRO in schools is of incredible importance because of the safety it provides for the campus, but also the community policing aspect and long-term relationships it fosters between youth and law enforcement. When SROs are integrated into a school system, the benefits go beyond reduced violence in schools. The officer builds relationships with students and parents while serving as a resource to students, teachers, and administrators to help solve problems.

Over the past few years, the Police Department and the High School District have been looking for opportunities to reintroduce a School Resource Officer (SRO) program at the Park Avenue campus which is in the city limits. (Silver Springs High School & SAEL) In August of 2017, GVPD was able to assign an SRO to be on campus full-time during the school year through a shared funding agreement for the position. This funding structure and SRO assignment will continue into the future.

At this time, due to limited staffing and funding, GVPD is unable to provide a full-time SRO at the other school campuses within the city limits.

Recommendation #7:

A working group of the Nevada County Superintendent of Schools, the Nevada County Sheriff's Office, the Grass Valley Police Department, the Nevada City Police Department, Nevada County Behavioral Health (especially concerning behavior of the assailant), and school administration and staff should be created to develop a model program for all schools to utilize when examining and creating their own outside assembly and accounting program.

Reported Action: The recommendation has *not yet been implemented.*

GVPD is willing and available to participate in a working group as described. However, a large collaborative working group as proposed could only develop a generic program that could offer general principles and

guidelines to follow when creating an outside assembly and accounting program. Ideally, each school site should develop their own plan that takes into consideration all variables for their specific campus. At various times over recent years, GVPD has worked with the schools within the city limits to develop these plans. Our SRO continues to work with the schools at the Park Avenue campus on critical incident planning including outside assembly and accounting programs. GVPD is always available to work with the other schools as well.

Recommendation #8:

Following the creation of a model program for outside assembly and accounting, each school district should direct their schools to exercise this model and, in conjunction with local law enforcement, develop and incorporate the site-specific procedures necessary to conduct a safe and secure school evacuation.

Reported Action: The recommendation has *not yet been implemented.*

GVPD is willing and available to work with Grass Valley schools to develop and assist them in incorporating site-specific procedures for a safe and secure school evacuation.

This response was reviewed and approved by City Council at its June 26 meeting.

Sincerely,

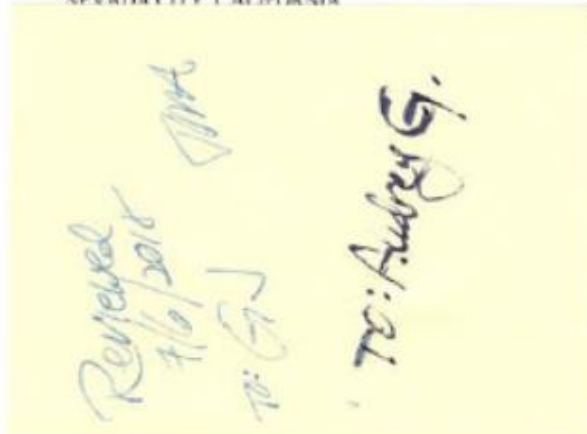


Alexander Gammelgard - Chief of Police
Grass Valley Police Department



NEVADA CITY POLICE DEPARTMENT

NEVADA CITY, CALIFORNIA



July 6th, 2018

The Honorable Thomas Anderson
Supervising Judge of the Grand Jury
201 Church Street
Nevada City, CA 95959

Dear Honorable Thomas Anderson,

The following is the responses from the Nevada City Police Department to recommendations R1, R2, R6, R7 and R8 of the 2017-2018 Grand Jury Report "Safety and Security at Nevada County Schools."

The Nevada City Police Department has been working very close with allied law enforcement agencies and local schools on this topic as it is a continuing issue and requires great working relationships between everyone to truly be successful.

Below are the responses from the Nevada City Police Department.

Please let me know if you should have any additional questions.

Respectfully,

Lt. Chad Ellis

Recommendation #1:

The Nevada County Superintendent of Schools should coordinate with school districts, law enforcement, parents and guardians, and students in the development of a highly summarized parents' guide on what to do and not to do when a lockdown or other emergency happens. This guide should contain uniform instructions that are generic to all schools. Additionally, each school should add instructions that are site specific to their school location and circumstances and distribute to teachers, parents and guardians, and high school students at the beginning of the year and each semester thereafter.

Reported Action:

The recommendation has not yet been implemented but has been discussed with the Nevada County Superintendent of Schools as well as with local schools and other law enforcement agencies. The Nevada City Police Department is available and willing to provide information and suggestions as to the content of a parent's guide. It is our belief that this would be a better way to keep parents informed and show the true extent that the schools and law enforcement are working together.

Recommendation #2:

The Nevada County Superintendent of Schools should coordinate with school districts, law enforcement, parents and guardians, and students to develop a uniform, workable plan that responds to the appropriate use of social media during actual emergencies and drill exercises.

(530) 265-4700 • FAX (530) 265-9259 • 317 Broad Street • Nevada City, California 95959



NEVADA CITY POLICE DEPARTMENT

NEVADA CITY, CALIFORNIA



Reported Action:

The Nevada City Police Department currently utilizes social media and has their own Facebook page where we would have the ability to disseminate information related to actual emergencies or training exercises. The Superintendent of Schools is in possession of templates that can be used as guidelines in disseminating information during such events. These templates were going to be distributed to local schools for review and input.

Recommendation #6:

The Nevada County Superintendent of Schools, school districts, and local law enforcement should collaborate on the use and deployment of Resource Officers that encompass all of our schools.

Reported Action:

The Nevada City Police Department does not currently have a School Resource Officer on staff. This is due to both staffing levels and ultimately funding. NCPD officers work very close with our local schools and are expected to routinely stop by the schools as work load allows. NCPD has partnered with GVPD in the past and assisted with the Great Summer Youth Academy which has taken place at 7-Hills School in Nevada City. We have also implemented a "Community Connect" program where officers would spend the day at 7-Hills School playing sports games with the kids and getting to know them. The hope of the Nevada City Police Department for the future, should funding allow, is to employ a part time School Resource Officer to work in our local schools.

Recommendation #7:

A working group of the Nevada County Superintendent of Schools, the Nevada County Sheriff's Office, the Grass Valley Police Department, the Nevada City Police Department, Nevada County Behavioral Health (especially concerning behavior of the assailant), and school administration and staff should be created to develop a model program for all schools to utilize when examining and creating their own outside assembly and accounting program.

Reported Action:

The Nevada City Police Department routinely attends the (CAUSSSS) Community Agencies United for Safe Schools and Safe Streets meetings in Grass Valley. This is a working group that is already in place and includes the majority of the agencies listed above. NCPD is always willing and able to participate in the working group. We will also need to collaborate with the local schools in each of our jurisdictions separately as the outside assemblies are site specific.

Recommendation #8:

Following the creation of a model program for outside assembly and accounting, each school district should direct their schools to exercise this model and, in conjunction with local law enforcement, develop and incorporate the site-specific procedures necessary to conduct a safe and secure school evacuation.

Reported Action:

The Nevada City Police Department has not yet collaborated on a model program but is ready and willing to assist our local schools in developing site specific procedures necessary to conduct a safe and secure school evacuation.

(530) 265-4700 • FAX (530) 265-9259 • 317 Broad Street • Nevada City, California 95959

**Will the Public Suffer Because of
Unfunded Pension Liabilities?**

2017-2018 Nevada County Grand Jury

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Will the Public Suffer Because of Unfunded Pension Liabilities?

Summary

Most of the pensions of California state and local public employees and teachers are funded through the California Public Employees' Retirement System (CalPERS) or the California State Teachers' Retirement System (CalSTRS). These systems lack the necessary reserves to ensure that funds will be available when needed. This situation, referred to as a Net Pension Liability, requires public employers to increase their annual pension payments into CalPERS and CalSTRS to compensate for the shortage of reserves.

Nevada County agencies have a large and growing Net Pension Liability that must be funded. The availability of funding for new county programs and services as well as continued operations may be impacted. Increases in local taxes may also be necessary.

In fact, the County CEO made the following statement in the 2017-2018 Nevada County Adopted Budget: "the second dark cloud is the continuing increase in pension costs. This year alone there was a 9% increase in CalPERS costs. This will impact the County's ability to give pay increases to its workforce in the future and maintain service levels."

The Nevada County Grand Jury has estimated that the Net Pension Liability for 28 of 31 local public agencies in this county, including local special and school districts, is approximately \$336.3 million.

The annual expense of funding pensions for current and future retirees has risen sharply over the past decade. While every public agency in Nevada County has non-funded pension obligations, some appear to have adequate resources to meet them but many do not. The Grand Jury's aim is to offer clarity to a complex issue and to encourage public agencies to provide greater transparency to their constituents.

Glossary

CalPERS	California Public Employees' Retirement System
CalSTRS	California State Teachers' Retirement System
County	Nevada County
GASB	Governmental Accounting Standards Board
GASB 68	Governmental Accounting Standards Board Statement #68
Jury	Nevada County Grand Jury
NPL	Net Pension Liability

Background

The California State Teachers' Retirement System (CalSTRS) was established by law in 1913 to provide retirement benefits to public school educators from pre-kindergarten through community college. According to the CalSTRS website, it is the largest educator-only pension fund in the world and the second largest pension fund in the United States. As of February 28, 2018, the market value of the investment portfolio was approximately \$224.4 billion.

In 1932 the State of California created what is now called the California Public Employees' Retirement System (CalPERS) to establish defined benefit pension plans for their employees by requiring contributions from employees and employers during the course of employment. These contributions are accumulated and invested by CalPERS to fulfill its obligation of building funds sufficient to meet the promised level of retirement income. In 1939 the California State Legislature voted to allow local public agencies (cities, counties, school districts, etc.) to participate in the CalPERS retirement system. It is the largest defined benefit public pension fund in the United States with a total market value of \$326.4 billion and 1.9 million members.

In the late 1990s, CalPERS held assets well in excess of its predicted future pension obligations. In 1999, California Assembly Bill 400 provided retroactive increases to retirement benefits and retirement eligibility at earlier ages for many state employees to utilize this predicted surplus. However, the bursting of the dotcom bubble in the early 2000s and the recession beginning in 2008 caused a dramatic fall in the value of CalPERS assets. Where there had been surplus assets, the state now had a large Net Pension Liability (NPL). The value of the CalPERS investment portfolio peaked at \$260 billion in the fall of 2007 then plunged for a year and a half before bottoming out at \$160 billion in March 2009. The value has grown since but not at the rate originally predicted.

The retirement programs for most of the public employees and teachers in Nevada County (County) are administered by CalPERS or CalSTRS. Accordingly, a portion of our countywide income, once planned for other local obligations, is being diverted to increased payments to CalPERS and CalSTRS to pay down the NPL.

Approach

The Grand Jury (Jury) reviewed audited financial statements of 28 county agencies and schools for fiscal year 2015-2016 (Appendix A). We focused on NPLs as well as key financial data from the Statements of Net Position (called balance sheets in the private sector) and Statements of Change in Net Position (income statements) for each of the agencies selected. The Jury also interviewed staff and management from the selected agencies and reviewed the current data provided about NPLs by CalPERS and CalSTRS.

The Jury's investigation was to determine only the pension obligations of each agency, not the details of individual pension plans. The Jury did not analyze the mix of pension fund

investments nor did we investigate other employee benefits such as deferred compensation or inducements for early retirement.

Financial Data Transparency

The Jury sought the audited financial statements and multiple-year financial forecasts for each agency in the County through each agency's website. However, the availability of current and past financial statements online was limited. Obtaining this information required additional research.

The inconsistency of agencies' publishing of audited financial statements is a transparency issue in the County. In general, the Jury found that the County and municipalities are most transparent while school districts are least transparent. The Jury also found that, in some instances, obtaining the financial statements in person or by telephoning was difficult. For public information and transparency, financial statements should be available online. Hard copies that are only available through the mail or in person make it difficult for the public to access. Websites should be organized so that citizens can easily find financial statements. A good user experience online is very important. Hiding financial statements in a deep, dark corner of a website – a place that takes multiple clicks to reach – does not convey transparency. For financial comparison, at least three years of audited financial statements should be available.

Higgins Fire Protection District was not in compliance with Government Code 26909 which requires audited financial statements to be filed with the County Auditor-Controller within 12 months of the end of the fiscal year. Higgins Fire Protection District financial statements were not available for review by the Jury.

The 2015-2016 audited financial statements for the Nevada City School of the Arts were done as a non-profit organization audit instead of as a governmental agency audit. Governmental Accounting Standards Board (GASB) rules therefore did not apply and the NPL was not disclosed.

The 2015-2016 audited financial statements for the Nevada County Superintendent of Schools include five charter schools considered part of the agency's audit. The total NPL shown in the financial statements is not split out to show each charter school's NPL. The five charter schools are:

1. Bitney College Prep High School,
2. Forest Charter School,
3. Sierra Montessori Academy,
4. Twin Ridges Home Study Charter School, and
5. Yuba River Charter School.

See Appendix B for the results of the search for financial statements.

Discussion

Most Nevada County public employees have a defined benefit pension plan administered by CalPERS or CalSTRS as part of their employee compensation package. This benefit assures retired public employees a predictable retirement income protected by California law.

Where there had been surplus assets in the past, the state now has a large unfunded NPL primarily due to the recession starting in 2008 in which the CalPERS and CalSTRS investments lost a large portion of their value. In Nevada County, the Jury's review of 2016 financial statements has calculated the NPL for 26 county agencies to be approximately \$336 million.

AGENCIES	NPL
County and Municipalities	\$ 167,745,712
Western Nevada County Special Districts	\$ 48,203,290
Truckee Special Districts	\$ 21,157,099
Western Nevada County School Districts	\$ 99,172,619
TOTAL	\$ 336,278,720

In short, CalPERS and CalSTRS do not have the money required to pay the predicted benefits that are guaranteed to be paid and protected by California Law. Accordingly, the member employers must make up the difference.

The State Controller's office has estimated the pension debt of California's 130 state and local pension plans to be approximately \$254 billion. That amount is based on how much money the system assumes it will gain from investments. But actual returns do not follow a straight line. In the past two decades, CalPERS and CalSTRS have hit their target only two out of every three years. As far back as 1994, CalPERS was projecting 8.75 percent growth from investment returns. Today it has lowered projections to 7.0 percent. CalSTRS assumed 8.5 percent returns in 1994 but it is also revising its rate down to 7.0 percent. Some pension advisors believe the projections are still overly optimistic.

The Governmental Accounting Standards Board (GASB) establishes rules that it recommends public agencies follow (and most do) when presenting their financial results. The recent implementation of GASB Statement #68 (GASB 68) requires public agencies to report their NPL as a liability to their net position on their audited financial statements beginning with the fiscal year ended June 30, 2015. Prior to this accounting rule change, agencies only reported required annual contributions to pension plans on their income statements but NPL was not reflected on their Net Position Statements. The net position is one way to evaluate the financial health of an organization. The new method of reporting has provided greater transparency into the future impact of pension promises on current agency financials. The addition of NPL as a liability on the Net Position Statements of government agencies has resulted in dramatic reductions to most agencies' net position.

Agencies are required to make annual contributions to the pension plan administrator (CalPERS and CalSTRS). Portions of the yearly contributions are used to make payments to current retirees and the remainder is invested into a diversified portfolio of stocks, bonds, real

estate, and other investments. The NPL is the difference between how much an agency should be saving to cover its future pension obligations and how much it has actually saved. Less than expected returns by many CalPERS and CalSTRS investments have resulted in long-term projections of market value insufficient to meet the plans' obligations.

Growing NPLs and lower investment growth lead to higher required contributions by public agencies to their pension plans. Because these payments are contractually required, they are not a discretionary item in the agencies' budgeting process.

Until recently, CalPERS had a policy aimed at returning the retirement system to fully-funded status within 30 years. It has now targeted 20 years in which to return it to fully-funded status. The net effect of this change is to increase the annual contributions required by each employer. Consequently, steadily increasing pension payments are competing with and reducing other items in the budgets.

In January 2018 the League of California Cities issued a *Retirement System Sustainability Study and Findings* which includes three key recommendations (Appendix C):

1. City pension costs will dramatically increase and eventually reach unsustainable levels.
2. Rising pension costs will require cities to nearly double the percentage of their General Fund dollars to pay to CalPERS.
3. Cities have few options to address growing pension liabilities.

The report offered suggestions for cities to address these fiscal challenges. These are:

1. Develop and implement a plan to pay down the city's NPL.
2. Consider local ballot measures to enhance revenues.
3. Create a "Pension Rate Stabilization Program."
4. Change service delivery methods and levels of certain public services.
5. Use transparent collective bargaining to increase employee pension contributions.
6. Issue a pension obligation bond.

The Jury believes these League of California Cities' recommendations should be adopted by all Nevada County agencies.

The NPL of Nevada County's public agencies cannot be made to disappear. It represents benefits earned over several decades by public employees and constitutes a legal and ethical obligation. Some progress has been made to reduce the growing liability but the vast bulk still needs to be paid.

Findings

- F1** Nearly every Nevada County agency has a Net Pension Liability.

- F2** Many Nevada County agencies, especially schools, lack a sufficient Net Position to successfully comply with the requirement to reduce their Net Pension Liability.
- F3** Some Nevada County agencies, especially schools, have a negative Net Position.
- F4** Transparency demands that financial statements provided by the office of the Superintendent of Schools identify each charter school's Net Pension Liability.
- F5** The strain on Nevada County agency budgets is likely to require cutbacks in services to balance the pension contribution increases.
- F6** Many agencies may spend down their reserves to avoid cutbacks in services.
- F7** New sources of revenue may be requested by many agencies to avoid cutbacks in services or reduction of reserves.
- F8** The public bears most of the risk if CalPERS and CalSTRS investments continue to underperform.
- F9** Higgins Fire Protection District is out of compliance with Government Code 26909 by not filing an audited financial statement for 2015-2016.
- F10** Nevada City School of the Arts' financial statements should reflect their Net Pension Liability.

Recommendations

The Nevada County Grand Jury makes the following recommendations.

- R1** The Nevada County Chief Executive Officer should provide a separate presentation to the Board of Supervisors describing the County's current Net Pension Liability and providing a plan for addressing the problem. The presentation should not be hidden in the annual budget report presentation.
- R2** Public agencies and public employee unions should explore how increasing employee pension contributions can reduce non-funded pension liabilities.
- R3** For the purposes of transparency and easy access, each agency should provide links to three years of audited financial statements and summary pension data for the same period on the financial page of its public website.
- R4** Public agencies should consider implementing the suggestions from the League of California Cities.

- R5** Higgins Fire Protection District should comply with Government Code 26909 and file an audited financial statement for 2015-2016.
- R6** Nevada County Superintendent of Schools should report the Net Pension Liability for charter schools that are part of its agency's audit.
- R7** Nevada City School of the Arts should report its Net Pension Liability in its financial statements.

Request for Responses

Pursuant to Penal Code section 933.05, the Nevada County Grand Jury requests responses from the following:

- Nevada County Board of Supervisors for Recommendations R1, R2, and R4 by 10 August 2018.
- City of Grass Valley for Recommendations R2 and R4 by 10 August 2018.
- City of Nevada City for Recommendations R2, R3, and R4 by 10 August 2018.
- Town of Truckee for Recommendations R2 and R4 by 10 August 2018.
- Nevada Irrigation District for Recommendations R2, R3, and R4 by 9 September 2018.
- Nevada County Consolidated Fire District for Recommendations R2, R3, and R4 by 9 September 2018.
- Nevada Cemetery District for Recommendations R2, R3, and R4 by 9 September 2018.
- Ophir Hill Fire Protection District for Recommendations R2, R3, and R4 by 9 September 2018.
- Peardale Chicago Park Fire Protection District for Recommendations R2, R3, and R4 by 9 September 2018.
- Penn Valley Fire Protection District for Recommendations R2, R3, and R4 by 9 September 2018.
- Nevada County Resource Conservation District for Recommendations R2, R3, and R4 by 9 September 2018.
- Higgins Fire Protection District for Recommendations R2, R3, R4, and R5 by 9 September 2018.

- Truckee Cemetery District for Recommendation R3 by 9 September 2018.
- Truckee Donner Public Utilities District for Recommendations R2, R3, and R4 by 9 September 2018.
- Truckee Fire Protection District for Recommendations R2, R3, and R4 by 9 September 2018.
- Tahoe-Truckee Sanitation District for Recommendations R2 and R4 by 9 September 2018.
- Truckee Tahoe Airport District for Recommendations R2 and R4 by 9 September 2018.
- Nevada County Superintendent of Schools for Recommendations R2, R3, R4, and R6 by 10 August 2018.
- Grass Valley School District for Recommendations R2, R3, and R4 by 9 September 2018.
- Chicago Park School District for Recommendations R2, R3, and R4 by 9 September 2018.
- Clear Creek School District for Recommendations R2, R3, and R4 by 9 September 2018.
- John Muir Charter School for Recommendations R2, R3, and R4 by 9 September 2018.
- Nevada City School District for Recommendations R2, R3, and R4 by 9 September 2018.
- Nevada County School of the Arts for Recommendations R2, R3, R4, and R7 by 9 September 2018.
- Nevada Joint Union High School District for Recommendations R2, R3, and R4 by 9 September 2018.
- Penn Valley Union Elementary School District for Recommendations R2, R3, and R4 by 9 September 2018.
- Pleasant Ridge Union School District for Recommendations R2, R3, and R4 by 9 September 2018.
- Twin Ridges Elementary School District for Recommendations R2, R3, and R4 by 9 September 2018.

- Union Hill Elementary School District for Recommendations R2, R3, and R4 by 9 September 2018.
- Bitney College Prep High School for Recommendations R3, R4, and R6 by 9 September 2018.
- Forest Charter School for Recommendations R3, R4, and R6 by 9 September 2018.
- Sierra Montessori Academy for Recommendations R3, R4, and R6 by 9 September 2018.
- Twin Ridges Home Study Charter School for Recommendations R3, R4, and R6 by 9 September 2018.
- Yuba River Charter School for Recommendations R3, R4, and R6 by 9 September 2018.

Appendix A

NEVADA COUNTY PUBLIC AGENCIES NET POSITION STATEMENT DATA 2016

Agency	Assets	Liabilities	Net Position	Net Pension Liability	NPL % of Net Position	NPL % of Liabilities
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COUNTY AND MUNICIPALITIES

County of Nevada	\$452,115,976	\$204,630,431	\$249,882,965	\$143,371,040	57%	70%
City of Grass Valley	\$129,240,858	\$36,146,111	\$93,094,747	\$12,879,011	14%	36%
City of Nevada City	\$25,853,390	\$8,372,137	\$12,839,589	\$3,204,165	25%	38%
Town of Truckee	\$225,870,471	\$23,535,597	\$204,054,950	\$8,291,496	4%	35%
COUNTY AND MUNICIPALITIES TOTALS				\$167,745,712		

WESTERN NEVADA COUNTY SPECIAL DISTRICTS

Nevada Irrigation District	\$512,525,523	\$114,710,733	\$397,814,790	\$43,525,370	11%	38%
Nevada County Consolidated Fire District	\$6,243,759	\$4,704,144	\$1,481,062	\$3,801,425	257%	81%
Nevada Cemetery District	\$6,128,775	\$426,992	\$5,651,220	\$192,258	3%	45%
Ophir Hill Fire Protection District	\$1,884,505	\$233,856	\$1,650,606	\$131,224	8%	56%
Peardale Chicago Park Fire Protection District	\$1,490,278	\$147,266	\$1,289,753	\$89,335	7%	61%
Penn Valley Fire Protection District	\$2,496,477	\$667,720	\$3,090,460	\$432,756	14%	65%
Nevada County Resource Conservation District	\$617,857	\$56,129	\$561,728	\$30,922	6%	55%

Agency	Assets	Liabilities	Net Position	Net Pension Liability	NPL % of Net Position	NPL % of Liabilities
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WESTERN NEVADA COUNTY SPECIAL DISTRICTS continued

Higgins Fire Protection District	Financial statement in process					
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WESTERN NEVADA COUNTY SPECIAL DISTRICTS TOTALS	\$48,203,290					
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TRUCKEE SPECIAL DISTRICTS

Truckee Donner Public Utilities District	\$163,775,304	\$48,948,240	\$113,229,938	\$10,250,329	9%	21%
Truckee Fire Protection District	\$16,099,866	\$5,961,082	\$10,176,878	\$4,680,993	46%	79%
Tahoe-Truckee Sanitation District	\$67,735,788	\$6,884,123	\$60,851,665	\$4,519,215	7%	66%
Truckee Tahoe Airport District	\$58,129,058	\$4,928,194	\$53,504,307	\$1,706,562	3%	35%

TRUCKEE SPECIAL DISTRICT TOTALS	\$21,157,099					
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WESTERN NEVADA COUNTY SCHOOL DISTRICTS

Nevada County Superintendent of Schools**	\$24,900,379	\$22,191,071	\$3,442,545	\$17,704,242	514%	80%
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** Consolidated financial statement includes 5 charter schools

CalPERS				\$6,988,507		
CalSTRS				\$10,715,735		
Grass Valley School District	\$11,492,877	\$16,755,881	(\$4,934,052)	\$15,469,370	-314%	92%
CalPERS				\$4,953,665		
CalSTRS				\$10,515,705		
Chicago Park School District	\$4,137,882	\$1,296,919	\$3,053,768	\$1,138,960	37%	88%
CalPERS				\$256,726		
CalSTRS				\$882,234		
Clear Creek School District	\$2,780,976	\$1,265,287	\$1,671,654	\$1,224,545	73%	97%
CalPERS				\$390,366		
CalSTRS				\$834,179		

Agency	Assets	Liabilities	Net Position	Net Pension Liability	NPL % of Net Position	NPL % of Liabilities
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WESTERN NEVADA COUNTY SCHOOL DISTRICTS continued

John Muir Charter School	\$463,500	\$15,086,678	(\$9,421,710)	\$11,542,000	-123%	77%
CalPERS				\$2,654,000		
CalSTRS				\$8,888,000		
Nevada City School District	\$17,068,160	\$7,165,097	\$9,933,780	\$6,194,916	62%	86%
CalPERS				\$1,452,992		
CalSTRS				\$4,741,924		
Nevada County School of the Arts	\$1,036,970	\$32,708	\$1,004,262	not shown in FS		
Nevada Joint Union High School District	\$52,346,135	\$42,259,563	\$9,158,904	\$24,130,158	263%	57%
CalPERS				\$5,880,128		
CalSTRS				\$18,250,030		
Penn Valley Union Elementary School District	\$9,468,445	\$5,935,083	\$3,299,824	\$5,411,865	164%	91%
CalPERS				\$1,533,651		
CalSTRS				\$3,878,213		
Pleasant Ridge Union School District	\$10,646,912	\$9,893,862	\$327,021	\$9,274,654	2836%	94%
CalPERS				\$1,534,284		
CalSTRS				\$7,740,370		
Twin Ridges Elementary School District	\$6,997,773	\$1,332,100	\$5,684,555	\$1,149,645	20%	86%
CalPERS				\$433,744		
CalSTRS				\$715,901		
Union Hill Elementary School District	\$9,116,618	\$6,341,807	\$3,157,586	\$5,932,264	188%	94%
CalPERS				\$1,446,217		
CalSTRS				\$4,486,047		
WESTERN NEVADA COUNTY SCHOOL DISTRICTS TOTALS				\$99,172,619		
NEVADA COUNTY TOTALS				\$336,278,720		

Appendix B

NEVADA COUNTY PUBLIC AGENCIES FINANCIAL DATA TRANSPARENCY 23 April 2018

<u>AGENCY</u>	<u>WEBSITE</u>	<u>Ease of Transparency</u>	<u>Last Financial Stmt</u>	<u># of Years Posted</u>
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COUNTY AND MUNICIPALITIES

County of Nevada	mynevadacounty.com	Transparent	2017	11
City of Grass Valley	cityofgrassvalley.com	Transparent	2017	9
City of Nevada City	nevadacityca.gov	Transparent	2015	5
Town of Truckee	townoftruckee.com	Transparent	2017	11

WESTERN NEVADA COUNTY SPECIAL DISTRICTS

Nevada Irrigation District	nidwater.com	Transparent	2016	3
Nevada County Consolidated Fire District	nccfire.com	Not Transparent		0
Nevada Cemetery District	nevadacemeterydistrict.com	About us – Budget	2015	2
Ophir Hill Fire Protection District	ophirhillfire.org	Not Transparent		0
Peardale Chicago Park Fire Protection District	pcpfire.com	Not Transparent		0
Penn Valley Fire Protection District	pennvalleyfire.com	Transparent	2016	1
Nevada County Resource Conservation District	ncrcd.org	Not Transparent		0
Higgins Fire Protection District	higginsfire.org	Not Transparent		0

<u>AGENCY</u>	<u>WEBSITE</u>	<u>Ease of Transparency</u>	<u>Last Financial Stmt</u>	<u># of Years Posted</u>
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TRUCKEE SPECIAL DISTRICTS

Truckee Cemetery District	truckeecemeterydistrict.com	Not Transparent		0
Truckee Donner Public Utility District	tdpud.org	Transparent	2016	3
Truckee Fire Protection District	truckeefire.org	Transparent	2017	1
Tahoe-Truckee Sanitation District	truckeesan.org	Transparent	2017	9
Truckee Tahoe Airport District	truckeetahoeairport.com	Transparent	2016	7

WESTERN NEVADA COUNTY SCHOOL DISTRICTS

Chicago Park School District	chicagoparkschool.org	Not Easily	2017	
Clear Creek School District	clearcreekschool.com	Transparent	2017	
Grass Valley School District	gvsd.us	Not Transparent	NA	
Nevada City School District	ncsd.school	Transparent	2016	2
Nevada Joint Union High School District	njuhsd.com	Board Agenda Packet	2016	
Penn Valley Union Elementary School District	pennvalleyschools.k12.ca.us	Board Agenda Packet	2017	
Pleasant Ridge Union School District	prsd.us	Board Agenda Packet *		
Twin Ridges Elementary School District	twinridgeselementary.com	Not Transparent		
Union Hill Elementary School District	district.uhsd.k12.ca.us	Not Transparent		
Nevada County Superintendent of Schools	nevco.org	Not Transparent		
Bitney College Prep High School	bitneyprep.net	Not Transparent		

<u>AGENCY</u>	<u>WEBSITE</u>	<u>Ease of Transparency</u>	<u>Last Financial Stmt</u>	<u># of Years Posted</u>
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WESTERN NEVADA COUNTY SCHOOL DISTRICTS continued

Forest Charter School	forestcharter.com	Not Transparent **		
John Muir Charter School	johnmuircs.com	Transparent	2017	
Nevada City School of the Arts	ncsota.org	Not Transparent		
Sierra Montessori Academy	sierramontessori.org	Not Transparent		
Twin Ridges Home Study Charter School	twinridgeshomestudy.org	Not Transparent ***		
Yuba River Charter School	yubariversschool.org	Not Transparent		

* Agendized for 12-13-16 not included in packet.

** Agendized for 1-17-17 no packet available online.

*** Agendized for 1-11-17 no packet available – link from agenda does not work.

Appendix C

League of California Cities[®] Retirement System Sustainability Study and Findings January 2018

The League of California Cities[®] supports and continues to advocate for secure defined benefit pension plans and the reforms that will allow them to flourish through the next century of public service. Defined benefit plans have proven to be an effective vehicle to provide pension benefits to employees and support California's public servants throughout their lifetimes. Local governments wish to continue to use these pension plans to attract and retain a highly skilled workforce.

The California Public Employee Retirement System (CalPERS), however, is underfunded. As of January 2018, CalPERS had only 68 percent of the funds required to pay estimated retirement benefits – in other words, only 68 cents for every dollar needed to fund retiree pension commitments. Several factors have contributed to unsustainability of the CalPERS system – and as a result, the contributions paid by all public employers to CalPERS are dramatically increasing. California cities are feeling the effects of growing budgetary pressure more than other public employers.

To better understand the cost drivers behind increasing local employer contribution rates and impacts on cities, the League commissioned Bartel Associates, LLC, a leading California actuarial firm serving only public sector agencies to:

- analyze anticipated pension contribution rates for cities as a percentage of payroll; and
- determine how those future contribution rates would impact cities' General Funds.

This study was limited only to pension liability. It does not reflect costs to cities associated with active or other post-employment benefits such as health care. Bartel Associates based its analysis on CalPERS' June 30, 2016 public agency actuarial valuation data and results of the League's October 18, 2017 City Survey.

The findings of this study reveal the following:

1. Rising pension costs will require cities over the next seven years to nearly double the percentage of their General Fund dollars they pay to CalPERS.
2. For many cities, pension costs will dramatically increase to unsustainable levels.
3. The impacts of increasing pension costs as a percentage of General Fund spending will affect cities even more than the state. Employee costs, including police, fire and other municipal services, are a larger proportion of spending for cities.

The results of this study provide additional evidence that pension costs for cities are approaching unsustainable levels. While the state budget has recovered significantly since the 2004 recession with the assistance of substantial voter-approved tax increases, some cities have yet to recover. With local pension costs outstripping revenue growth, many cities face difficult

choices that will be compounded in the next recession. Under current law, cities have two choices: attempt to increase revenue or reduce services. Given that police and fire services comprise a large percentage of city General Fund budgets, public safety, including response time, will likely be impacted.

Cities are looking for sustainable solutions that provide near-term relief while broader impacts from pension reform enacted by the Legislature in the Public Employees' Pension Reform Act (PEPRA) [applying to employees hired after January 1, 2013] materialize. However, tangible savings resulting from PEPRA will not have a substantial effect on city budgets for decades.

The League has created an online resource (www.cacities.org/pensions) to provide additional background and information for cities on this issue. Consistent with its adopted Pension Sustainability Principles, the League looks forward to working with employees, CalPERS, the Legislature and the Governor to achieve meaningful options for cities to address growing unfunded pension liabilities that will ensure cities remain solvent and able to provide services to residents while continuing to offer employees sustainable pension and health benefits.

Key Findings

City pension costs will dramatically increase to unsustainable levels.

Between FY 2018–2019 and FY 2024–2025, cities' dollar contributions will increase by more than 50 percent. For example, if a city is required to pay \$5 million in FY 2018–2019, the League expects that it will pay more than \$7.5 million in FY 2024–2025.

Miscellaneous Employees: In FY 2024–2025, half of cities are anticipated to pay over 30.8 percent of their payroll towards miscellaneous employee pension costs, with 25 percent of cities anticipated to pay over 37.7 percent of payroll. This means that for every \$100 in pensionable wages (generally base salary), the majority of cities would pay an additional \$31 or more to CalPERS for pensions alone. This amount does not include active or retiree healthcare.

For “mature cities” with larger numbers of retirees, the percentages are even higher. Half of those cities are anticipated to pay 37.9 percent or more of payroll and 25 percent are anticipated to pay 42.9 percent or more of payroll. These findings are not specific to one region of the state. The data shows that cities throughout California are dealing with these challenges.

Public Safety Employees: Contributions are projected to be much higher for cities that employ safety personnel (police officers and firefighters). By FY 2024–2025, a majority of these cities are anticipated to pay 54 percent or more of payroll, with 25 percent of cities anticipated to pay over 63.8 percent of payroll. In other words, for every \$100 in salary, the majority of cities would pay an additional \$54 or more to CalPERS for pensions alone. As with miscellaneous employees, for cities with a large number of retirees, these percentages are even higher. The cities paying the highest percentages of payroll are spread throughout the state.

Unsustainable Costs: For FY 2024–2025, the average projected contribution rate as a percentage of payroll is 34.6 percent for miscellaneous employees and 60.2 percent for safety employees. For cities with a large percentage of retirees, the averages are 39.4 percent and 67.5 percent.

Rising pension costs will require cities to nearly double the percentage of their General Fund dollars they pay to CalPERS.

The League surveyed its members regarding the proportion of their General Fund budget devoted to paying pension costs to CalPERS. These percentages are for CalPERS costs only, over and above the cost of salaries and do not include the cost of active and retiree health care.

On average, from FY 2006–2007 to FY 2024–2025, cities will nearly double the percentage of the General Fund dollars that goes to CalPERS. In FY 2006–2007, the average city spent 8.3 percent of its General Fund budget on CalPERS pension costs. That average increased to 11.2 percent in FY 2017–2018 and it is anticipated to increase to 15.8 percent in FY 2024–2025. In FY 2024–2025, 25 percent of cities are anticipated to spend more than 18 percent of their General Fund on CalPERS pension costs with 10 percent anticipated to spend 21.5 percent or more. These cities are located throughout the state.

The state also faces increasing pension costs. According to Governor Brown’s proposed FY 2018–2019 budget introduced in January, \$3.2 billion of the state’s General Fund will be allocated to pay down CalPERS pension liabilities. This is approximately 2.75 percent of the total \$131 billion proposed General Fund budget. Furthermore, when all state-related retiree costs, including teachers in CalSTRS and state contributions for retiree health care are taken into account, that number increases to 8 percent of the state’s General Fund. While these amounts are significant and affect the state’s ability to fund other priorities, cities’ pension cost impacts alone – without considering any obligations for active and retiree health care – are significantly higher as a percentage of cities’ General Funds.

Cities have few options to address growing pension liabilities.

Under the California Constitution, a city’s options for revenue raising are strictly limited. Any increase in local taxes requires voter approval and voter tolerance for tax increases is waning. Much of a city’s budget is dedicated to employee salaries and benefits to provide fire protection, law enforcement, parks services and other municipal services. If new revenues are unavailable, as contributions rise local agencies are forced to significantly reduce or eliminate critical programs.

Despite the significant changes made through PEPRA, local governments will continue to face the financial conundrum of meeting their pension obligations. PEPRA, with all of its positive changes, does little to address the more immediate and near-term pension funding problems facing local governments. The anticipated benefits of PEPRA reforms are applicable only to new CalPERS employee members, and therefore it will take decades for these savings to be reflected in city budgets.

Under current law, there are only two sources to address the growing unfunded liability at CalPERS that cities face: higher than expected investment returns or increased employer contributions. Although CalPERS recently reduced its discount rate to 7 percent, the Fund projects a 6.1 percent return over the next 10 years. It is highly probable that public agencies will be expected to pay more to make up the difference – this is unsustainable.

What Cities Can Do Today

Many cities have already exercised their limited options under current law to address the fiscal challenges attributed to growing pension liabilities, which include:

7. Develop and implement a plan to pay down the city's Unfunded Actuarial Liability (UAL):
 - a. Possible methods include shorter amortization periods and pre-payment of cities UAL. This option may only work for cities in a better financial condition.
8. Consider local ballot measures to enhance revenues:
 - a. Some cities have been successful in passing a measure to increase revenues. Others have been unsuccessful. Given that these are voter approved measures, success varies depending on location.
9. Create a Pension Rate Stabilization Program (PRSP):
 - a. Establishing and funding a local Section 115 Trust Fund can help offset unanticipated spikes in employer contributions. Initial funds still must be identified. Again, this is an option that may work for cities that are in a better financial condition.
10. Change service delivery methods and levels of certain public services:
 - a. Many cities consolidated and cut local services during the 2004 recession and have not been able to restore those service levels. Often, revenue growth from the improved economy has been absorbed by pension costs. The next round of service cuts will be even harder.
11. Use procedures and transparent bargaining to increase employee pension contributions:
 - a. Many local agencies and their employee organizations have already entered into such agreements.
12. Issue a pension obligation bond (POB):
 - a. However, financial experts including the Government Finance Officers Association (GFOA) strongly discourage local agencies from issuing POBs. Moreover, this approach only delays and compounds the inevitable financial impacts.

Bibliography

Where else can I learn more?

from CALmatters, 21 February 2018

Retirement Debt: What's the problem and how does it affect you?

<https://calmatters.org/articles/california-retirement-pension-debt-explainer/>

Wanting more? Here are other helpful resources on California's retirement debt:

- State government
 - California State Controller's Office: [Retirement Systems Financial Data, Public Pay](#)
 - California Finance Department: [Long-term liabilities](#)
 - Legislative Analyst's Office
 - Little Hoover Commission: [2011 pension study](#)
- Local Government Organizations
 - [League of California Cities](#)
- Major Public Retirement Systems
 - [California Public Employees' Retirement System](#)
 - [California State Teachers' Retirement System](#)
 - [University of California](#)
 - [Los Angeles City Employees' Retirement System](#)
 - [Los Angeles County Employees Retirement System](#)
 - [San Francisco Employees' Retirement System](#)
 - [Orange County Employees Retirement System](#)
 - [San Diego City Employees' Retirement System](#)
- Labor:
 - [Californians for Retirement Security](#): A coalition of public employee unions representing 1.6 million workers and retirees
 - [California Teachers Association](#)
 - [California Professional Firefighters](#)
 - [SEIU 1000](#): The largest state government worker union
 - [Retired Public Employees' Association](#)
- Pension reform groups
 - [California Policy Center](#): A nonprofit group that advocates for pension cutbacks
 - [PensionTsunami.com](#): A website focused on California pensions edited by Jack Dean
 - [TransparentCalifornia.com](#): A searchable database of pensions by a Nevada-based free-market organization called [Nevada Policy Research Institute](#).
 - [Pensiontracker.org](#): A site tracking financial information about the California Public Employees' Retirement System by Stanford University public policy professor Joe Nation.
 - [Retirement Security Initiative](#): A bipartisan group pushing for fair and sustainable pension systems led by former San Jose Mayor Chuck Reed.

- CaliforniaPensionReform.com: A group dedicated to putting a pension initiative on the statewide ballot led by Dan Pellissier, who served as an advisor to Gov. Arnold Schwarzenegger.
- Blogs
 - Calpensions.com: A blog by former San Diego Union-Tribune reporter Ed Mendel.

RESPONSES

COUNTY OF NEVADA
STATE OF CALIFORNIA
BOARD OF SUPERVISORS



Heidi Hall, 1st District
Chair Edward C. Scofield, 2nd District
Dan Miller, 3rd District
Wm. "Hank" Weston, 4th District
Vice-Chair Richard Anderson, 5th District
Julie Patterson Hunter,
Clerk of the Board

July 10, 2018

The Honorable Thomas Anderson
Presiding Judge of the Nevada County Grand Jury
201 Church Street
Nevada County, CA 95959

Reviewed
7/13/18
JPM

RE: Response to Grand Jury Report entitled "Will the Public Suffer Because Of Unfunded Liabilities?"

Dear Honorable Judge Anderson:

As required by California Penal Code Section 933, the Board of Supervisors hereby submits its responses to the FY 2017/18 Nevada County Civil Grand Jury Report; dated June 6, 2018 entitled "*Will the Public Suffer Because of Unfunded Pension Liabilities?*"

These responses to the Grand Jury's Findings and Recommendations were approved by the Board of Supervisors at their regular meeting on July 10, 2018. The Responses are based on either personal knowledge, examination of official County records, or information received from the Board of Supervisors and County staff members.

The Board of Supervisors would like to thank the members of the FY 2017/18 Grand Jury for their participation and effort in preparing their Reports, and their participation in the Grand Jury process.

Sincerely,

Edward C. Scofield, Chairman
Nevada County Board of Supervisors

cc: Thomas Achter, Foreman, Grand Jury
Richard Haffey, County Executive Officer
Martin Polt, County Deputy Officer
Alison Barrett-Green, County Counsel

950 Maidu Avenue, Suite 200, Nevada City CA 95959-8617
phone: 530.265.1480 | fax: 530.265.9836 | toll free: 888.785.1480 | email: hdofsupervisors@co.nevada.ca.us
website: <http://www.mynevadacounty.com/nobos>

PRINTED ON RECYCLED PAPER

NEVADA COUNTY BOARD OF SUPERVISORS RESPONSES TO

2018 Nevada County Civil Grand Jury Report

Will the Public Suffer Because of Unfunded Pension Liabilities?

DATED June 10, 2018

Responses to findings and recommendations are based on either personal knowledge, examination of official county records, review of the responses by the County Executive Officer, Chief Fiscal Officer or testimony from the Board of Supervisors and county staff members.

A. RESPONSES TO FINDINGS

F1. Nearly every Nevada County agency has a Net Pension Liability.

Agree

Responding only for the County of Nevada agencies.

F2. Many Nevada County agencies, especially schools, lack a sufficient Net Position to successfully comply with the requirement to reduce their Net Pension Liability.

Disagree.

Responding only for County of Nevada agencies. Annual required contributions (ARC) set by CalPERS are intended to pay down the Net Pension Liability over a period of time. The County has always met the ARC and expects to do so in the future.

F3. Some Nevada County agencies, especially schools, have a negative Net Position.

Disagree.

Responding only for the County of Nevada agencies. The County's total net position as of June 30, 2017 was positive \$270 million.

F5. The strain on Nevada County agency budgets is likely to require cutbacks in services to balance the pension contributions increases.

Partially Disagree.

The County of Nevada takes this matter very seriously and has taken numerous proactive measures to mitigate the impact of rising pension costs and manage Net Pension Liability impacts. The County maximizes revenue opportunities and has accumulated fund balance to help address rising pension costs. If the economy and revenues drop significantly for a sustained period of time, or there are additional changes from CalPERS requiring higher contributions than are currently known, there may be impacts to services.

F6. Many agencies may spend down their reserves to avoid cutbacks in services.

Partially Disagree.

Responding only for County of Nevada agencies. Nevada County has a budget policy, which states that the “budget will only use reserve funds for emergency and one-time expenditures or for purposes that the reserve is designated to fund. Every effort will be used to preserve funds.”

This policy has been in place since just after the Great Recession and has led to the County generally maintaining or building reserves in recent years. In addition, the County Board of Supervisors has adopted a Fund Balance Policy, which guides decisions on use of fund balances, generally for emergencies or economic uncertainties or targeted priority expenditures. Every economic downturn causes the consideration of spending reserves to avoid cutbacks in services. This finding is not specific to the pension liability issue.

F7. New sources of revenue may be requested by many agencies to avoid cutbacks in services or reduction of reserves.

Agree.

Responding only for County of Nevada agencies. The County of Nevada agencies continuously seek new sources of revenue to fund services. Most of these revenues are from State and Federal sources for specific programs.

F8. The public bears most of the risk if CalPERS and CalSTRS investments continue to underperform.

Partially Disagree.

Responding only for County of Nevada agencies. The County of Nevada is unable to respond to this finding as we have no way of knowing how CalPERS and CalSTRS

will mitigate the risk of underperforming investments or how much risk will be passed on and to whom.

B. RESPONSES TO RECOMMENDATIONS

R1: The Nevada County Chief Executive Officer should provide a separate presentation to the Board of Supervisors describing the County's current Net Pension Liability and providing a plan for addressing the problem. The presentation should not be hidden in the annual budget report presentation.

This recommendation will not be implemented because it is unwarranted. The County Executive Office already reports specifically on the Net Pension Liability issue multiple times during the year. It is presented in depth during the budget hearings, at the Board of Supervisors Annual Workshop and throughout the year as Board actions are recommended by the County Executive Office. Pension costs have been highlighted in the last twelve budget messages delivered by the CEO and CFO.

R2. Public agencies and public employee unions should explore how increasing employee pension contributions can reduce non-funded pension liabilities.

This recommendation will not be implemented because it is not reasonable. Employee pension contributions are determined by the Public Employees' Pension Reform Act of 2013 (PEPRA). County staff currently share in pension contributions by the amount specified in the PEPRA.

R4. Public agencies should consider implementing the suggestions from the League of California Cities.

This recommendation will be implemented in part. In reviewing the six stated suggestions from the League of California Cities, the County responds with the following:

- 1. The recommendation has been partially implemented. The County has funded an irrevocable trust to assist in paying increased pension costs; the County maintains a Pension Contributions assignment in the General Fund to prioritize pension stability; the County pre-pays the Safety UAL; in FY 18/19 the County will consider a Pension Management Policy to provide further direction on managing the pension liability.**
- 2. The recommendation will not be implemented. The foreseeable situation does not warrant the County seeking additional taxes to fund the pension liability.**

3. The recommendation has been implemented. The County participates in the PARS Section 115 Pension Trust program.
4. The recommendation has been implemented. The County's budget policies require departments and programs to streamline resources where needed in an effort to provide the same level of service each year; streamlining has included major department restructuring and consolidation and investment in technology. The County also contracts with community based service providers where possible to maximize service delivery, efficiency and effectiveness.
5. The recommendation has been implemented. Employee organizations contribute their full share of employee contribution costs to the annual required contributions.
6. The recommendation will not be implemented. The County will not issue Pension Obligation Bonds. The League of Cities report referenced recommends *against* issuing pension obligation bonds.



GRASS VALLEY CITY COUNCIL
125 East Main St., Grass Valley, CA 95945
Tim Kiser, City Manager
Kristi Bashor, City Clerk

Council Members
Howard Levine, Mayor
Lisa Swarthout, Vice Mayor
Jan Arbuckle
Jason Fouyer
Ben Aguilar

July 24, 2018

The Honorable Thomas Anderson
Supervising Judge of the Grand Jury
201 Church Street
Nevada City, CA 95959



Dear Honorable Thomas Anderson –

The following is the City of Grass Valley’s (City) response to the 2017-2018 Grand Jury Report – *Will the Public Suffer Because of Unfunded Pension Liabilities*. The City appreciates the Grand Jury’s interest in helping to ensure the City’s ability to continue providing uninterrupted high levels of service in the wake of increasing pension liability payments by employers countywide.

The City has taken a proactive approach to mitigating the potential impacts of increasing pension payments, particularly as they relate to the annual amortization payment for the City’s unfunded pension liability. As demonstrated in the responses to the report’s recommendations noted below, the City remains steadfast in maintaining high levels of service while assuring promised current and future pension benefits due its employees remain intact.

The following are our response to the two recommendations noted in the report:

Recommendation #2:

Public agencies and public employee unions should explore how increasing employee pension contributions can reduce non-funded pension liabilities.

Reported Action: This recommendation has been *implemented*.

The City has successfully bargained with both the Police and Fire labor groups to implement pension “cost sharing”, in which the employee is responsible for a paying portion of the employer’s pension premium. Both the Police and Fire labor groups currently pay three percent of pensionable salary in addition to the annually required employee share. Payment of additional pension premiums by employees helps enable the City to set-aside reserves specifically assigned

Telephone (530) 274-4310 – Fax (530) 274-4399
www.cityofgrassvalley.com

for future pension costs, effectively mitigating the impacts of increases in pension costs on City service levels.

As existing contracts with labor groups are opened and re-negotiated in the future, particularly those that do not currently "cost share", the City will continue to discuss how costs related to pension liabilities may be ultimately shared between both the employer and employees.

Recommendation #4:

Public agencies should consider implementing the suggestions from the League of California Cities.

Reported Action: This recommendation has been *partially implemented*.

In January 2018 the League of California Cities (League) issued a Retirement System Sustainability Study and Findings which includes suggestions for cities to address fiscal challenges associated with rising pension costs and the potential impacts on sustainability of service levels. Several of the League's suggestions have been or are currently in the process of being implemented.

The City currently has a \$1.75 million Pension Stabilization Reserve earmarked for future pension costs. These reserves are currently held in the City's fund balances, and will soon be recommended for investment into an Internal Revenue Service (IRS) Section 115 Trust Fund as a "Pension Stabilization Program". The original principal of \$1.75 million, in addition to future investment earnings and additional contributions will be used to systematically pay down pension-related unfunded liabilities and increasing pension costs with the intention of mitigating service level impacts.

As discussed in the response to Recommendation #2 above, the City has also bargained for employer premium cost-sharing and will continue to assure future bargaining sessions include a transparent overview and discussion on pension costs.

This response was reviewed and approved by the City Council at its July 24, 2018 meeting.

Sincerely,


 Tim Kiser, City Manager
 City of Grass Valley

Telephone (530) 274-4310 – Fax (530) 274-4399
www.cityofgrassvalley.com



City of Nevada City

August 8, 2018

The Honorable Thomas Anderson
Supervising Judge of the Grand Jury
201 Church Street
Nevada City, CA 95959

*Reviewed
5/20/15 TMA*

Dear Honorable Thomas Anderson,

The following is a response from the City of Nevada City regarding the 2017-2018 Grand Jury Report *Will the Public Suffer Because of Unfunded Pension Liabilities*. The City respects and acknowledges the value of the Grand Jury's attention to this matter and the interest in ensuring the City of Nevada City's ability to maintain provision of high quality full service levels in the wake of the environment of significantly increasing pension costs.

The City has been discussing the increasing CalPERS costs to the City, and has successfully been able to annually budget for these increases. The City staff has also evaluated and presented to the City Council the future impacts on the City's finances associated to the changing actuarial assumptions in the CalPERS methodology calculating pension obligations. The City has recognized that the rising pension costs could have significant impact on the City's budget.

As demonstrated in the responses to the Grand Jury's recommendations, included below, the City has been working towards identifying, researching and implementing approaches to be able to mitigate/absorb these increasing costs while maintaining the quality full services that the City is currently providing, while assuring that current and future pension benefits for City personnel remain intact.

The following are our responses to the three recommendations noted in the report:

Recommendation #2

Public agencies and public employee unions should explore how increasing employee pension contributions can reduce non-funded pension liabilities.

City Hall • 317 Broad Street • Nevada City, California 95959 • (530) 265-2496

Response

The recommendation requires further analysis.

In February 2010 the City approved moving to 2nd tier CalPERS formula for new incoming employees. Safety personnel at 2%@55 and Miscellaneous at 2%@60. When the California Pension Employees' Reform Act (PEPRA) was implemented in 2013 new incoming employee formulas were extremely low compared to many other jurisdictions because the PEPRA formulas were tied to the City's 2nd tier formulas which were the lowest CalPERS had available at the time. The PEPRA formula for Safety became 2%@57 and 2%@62 for Miscellaneous employees (the lowest PEPRA formulas).

The City has a salary structure that is significantly lower than in the neighboring jurisdictions and with these very low PEPRA formulas, the City has been experiencing an environment in which there is significant difficulty in attracting the "right" employees and impediment in the City's ability to retain good employees. This has proven to increase training costs for the City and impact the institutional knowledge the City once had. For these reason the City needs to further analyze bargaining for greater pension contribution on the behalf of the employee.

The City, prior to 2014, contributed the entire employee portion of CalPERS costs. Since then the City negotiated with all bargaining units to bring each member into alignment with contributing the entire employee portion (not applicable to PEPRA employees as their full contribution is required by the regulatory reform). As of 2017 all employees are paying the full employee portion. The offset in this savings has aided in the City continuing to absorb the increasing pension costs. Currently the City has a total of 13-Safety and Miscellaneous 1st tier employees, 2-2nd tier employees, and 19-Safety and Miscellaneous PEPRA employees. The increased number of PEPRA employees has also contributed to costs savings in pension normal and unfunded pension obligations.

Recommendation #3

For the purposes of transparency and easy access, each agency should provide links to three years of audited financial statements and summary pension data for the same period on the financial page of the public website.

Response

The recommendation is fully implemented.

The City's audited annual financials and annual CalPERS actuarial/valuation reports with the City's pension data reside on the website under the Finance and Administration Department.

Recommendation #4

Public agencies should consider implementing the suggestions from the League of California Cities.

Response

The recommendation is in the beginning stages of being implemented.

In January 2018 the League of California Cities presented the "Retirement System Sustainability Study and Findings". Within the study there was a section suggesting "what cities can do today". Outlined were six suggestions; 1) develop and implement a plan to pay down the city's unfunded actuarial liability (UAL), 2) consider local ballot measures to enhance revenues, 3) create a pension rate stabilization program, 4) change service delivery methods and levels of certain public services, 5) use procedures and transparent bargaining to increase employee pension contributions and 6) issue a pension obligation bond.

- 1) The City has not implemented a plan to pay down the City's UAL but will be reviewing different options during the FY 18/19 prior to the beginning of the budgetary process for upcoming FY 19/20.
- 2) The City in the last two years approved the permitting of a medical cannabis dispensary and the permitting of other medical cannabis businesses (nurseries, manufacturing, distribution and testing laboratories). During this process the Council chose to move forward with a ballot measure for taxing medical cannabis businesses. The cannabis business tax ballot measure (Measure "F") passed on June 5, 2018 and will be executed on all permitted cannabis businesses. This will enhance the City's revenue.
- 3) The City is scheduled in the month of August 2018 to meet with two firms who offer 115 Trusts Funds. Once research is complete, City Staff bring forward to City Council a plan to establish a 115 Trust Fund. The City, 5 years ago, recognized the potential for rising pension increases and established a pension reserve of \$175k which could in part or full be used to establish this fund.
- 4) The City's goal during rising pension environment is to do everything possible to mitigate any consideration for reducing public service levels.
- 5) As noted in recommendation #2, transparent bargaining to increase employee pension contributions will require further analysis.
- 6) The City, at this time, does not support or have interest in issuing a pension obligation bond (POB).

This response was reviewed and approved by the City Council at its August 8, 2018 meeting.

Sincerely,



Catrina Olson, City Manager
City of Nevada City

Town Council

Carolyn Wallace Dea, Mayor

David Teman, Vice Mayor

Patrick Flora, Council Member
Jessica Abrams, Council Member
Morgan Goodwin, Council MemberDepartment Heads

Jeff Loax, Town Manager
 Andy Morris, Town Attorney
 Robert Lelwich, Chief of Police
 Deryese Nahenori, Community Development Director
 Kim Szczurek, Administrative Services Director
 Julie Price, Town Clerk
 Daniel Wilkins, Public

The Honorable Thomas Anderson
 Supervising Judge of the Grand Jury
 201 Church Street
 Nevada City, California 95959

July 20, 2018

Reviewed
 7/24/18
 JMA

Judge Anderson and the Grand Jury:

The Town of Truckee ("Town") is in receipt of the Grand Jury's report entitled *Will the Public Suffer Because of Unfunded Pension Liabilities*. This letter will serve as the Town's requested response to the report. The Town appreciates the Grand Jury's attention to this issue and agrees with the importance of diligence related to this issue. The Town has been exercising that diligence routinely and on an ongoing basis.

Grand Jury Recommendations:

R2: Public Agencies and public employee unions should explore how increasing employee pension contributions can reduce non-funded pension liabilities.

The recommendation has been implemented and included in all Town negotiations with the Town's three employee associations over the last twelve years.

The Town has actively and routinely worked with its employee associations to address the effects of the retirement cost increases related to the CalPERS defined benefit pension plan. The prior two employment contracts transitioned the Town's employees from paying none of the "employee" cost of CalPERS to paying all of the employee costs for the retirement benefit for all employee groups.

The Town has also just completed negotiations with two of the three employee groups (one group has not been completed yet) for five year memorandums of understanding ("MOU"). Those completed MOU's consciously addressed the ever-increasing cost of pensions by focusing on increases in employee compensation that are not eligible for (or required to have) a CalPERS contribution. Examples of this include increased Town contributions to health insurance premiums for employees, and increased contributions to employee deferred compensation, which are not subject to CalPERS contributions, rather than inflation-related salary increases that do increase the Town's CalPERS obligations.

R4: Public Agencies should consider implementing the suggestions from the League of California Cities.

10183 Truckee Airport Road, Truckee, CA 96161-3306
 www.townoftruckee.com
 530-582-7700 | email: truckee@townoftruckee.com
 Printed on recycled paper.

Grand Jury Letter
July 20, 2018

While the Town appreciates the League's suggestions, the Town has taken actions to minimize its pension liability without affecting services to its constituents or adding taxes. Although the Town declines to implement the League's suggestions, the Town has considered those suggestions and has therefore implemented recommendation R4.

As mentioned above, the Town has used transparent collective bargaining to address the increasing retirement costs. The Town does not believe that a pension obligation bond or prepayment of the actuarial unfunded liability are prudent financing instruments in this circumstance, particularly given that the Town is in a pooled CalPERS plan. There is no provision in the California retirement law that requires that any prepayment or pay down of an unfunded actuarial liability by an agency in a pooled plan to be credited to that agency in perpetuity. As a result, there is a very real risk that a prepayment would not benefit the Town.

The Town will continue to actively assess the effects of pension costs on its primary mission of providing services to our taxpayers.

Best Regards,



Kim Szczurek
Administrative Services Director
Town of Truckee

Cc: Town Council
Jeff Loux, Town Manager
Andy Morris, Town Attorney



SCOTT W. LAY, SUPERINTENDENT

380 Crown Point Circle
Grass Valley, CA 95945
530-478-6400 • fax 530-478-6410

July 9, 2018

The Honorable Thomas Anderson
Supervising Judge of the Grand Jury
201 Church Street
Nevada City, CA 95959

Renewed
TMA
7/16/18

Dear Honorable Thomas Anderson:

The following is the required response to the 2017-18 Nevada County Grand Jury report entitled, "*Will the Public Suffer Because of Unfunded Pension Liabilities?*". I am grateful to the Grand Jury for looking into a matter that school districts have been concerned about for years.

Both school employers and school employees have been concerned about this issue and we're glad the state of California made attempts to solve it starting in 2014. However, this attempt by the state has put a tremendous financial burden on both the employer and the employee. In most cases the increase in the schools contribution to pay down this state debt far exceeds the increases to revenue that are proposed by the state. There are no new funding streams directed toward schools to help pay this down. It is also important to remember that schools will finally be funded back to the same level as in 2007-08 with the recently signed 2018-19 state budget. Simply put, there is no money to set aside to solve the state's unfunded pension liabilities. Most schools in Nevada County are still facing declining enrollment which means less revenue each year. Any money set aside would come directly out of already underfunded classrooms and would directly impact students in a negative way.

As required by Penal Code Section 933.05, the Nevada County Superintendent of Schools Office response in regard to Recommendations is as follows:

RECOMMENDATIONS:

Recommendation 2

Public Agencies and public employee unions should explore how increasing employee pension contributions can reduce non-funded liabilities.

This recommendation is not applicable to Local Educational Agencies (LEA) in Nevada County and will not be implemented because CalPERS and CalSTRS are the responsible entities regarding public employee pensions. Any funds reserved at the LEA, Union or employee levels would not impact the unfunded liability as this liability is legally that of the pension systems. The LEA and employee offset this unfunded liability indirectly through the increased contributions imposed by decisions made by CalPERS and CalSTRS in their efforts to fund the long term liabilities.

Recommendation 3

For the purpose of transparency and easy access, each agency should provide links to three years of audited financial statements and summary pension data for the same period on the financial page of its public website.

We agree with this as a great tool to provide transparent information to the public and will post links to three years of audited financial statements on the Nevada County Superintendent of Schools (NCSoS) website immediately. Summarized pension data is included with the audited financial statements.

Recommendation 4

Public agencies should consider implementing the suggestions from the League of California Cities.

As mentioned in the response to Recommendation #R2 above, this report is not applicable to the LEA's in Nevada County. LEA's are however, planning for many years of increased contributions to CalPERS and CalSTRS. Each agency, including the NCSoS will decrease other areas of spending to incorporate these additional costs into the budget as there are no increases to revenue anticipated to fund these cost increases.

Recommendation 6

Nevada County Superintendent of Schools should report the Net Pension Liability for charter schools that are part of its agency's audit.

Because the charters schools that report under the NCSoS financials are considered to be part of the organization for audit purposes, the cost to split out each LEA's portion of the unfunded liability may not be practical. The Net Pension Liability that is reported under the NCSoS annual audit does include each charter schools portion. We will explore the possibility of projecting and reporting each agencies portion of the liability separately with our external auditor.

Once again, I would like to thank the Grand Jury for looking into this issue that has the potential for dire consequences to our local schools. My office, alongside the professional organizations we belong to, will continue to voice our concern and lobby our elected officials to pay down this unfunded liability at the state level where it originated. The Governor and the Legislature need to look at the budget surplus as one potential source to help pay off the debt.

Sincerely,



Scott W. Lay
Nevada County Superintendent of Schools



Bitney Prep High School



Gordon Mangel
950 Maidu Ave.
Nevada City, CA 95959

January 15, 2019

Dear Mr. Mangel:

In response to the 2017-18 Nevada County Grand Jury report titled *Will the Public Suffer Because of Unfunded Pension Liabilities?* I am responding to items R3, R4 and R6.

First, I want to apologize for the delay in responding. We had a new Director come on-board this year and in the transition into here position this item was overlooked.

Here is our response for the required items:

R3 For the purposes of transparency and easy access, each agency should provide links to three years of audited financial statements and summary pension data for the same period on the financial page of its public website.

Bitney Prep High School has contracted with a professional to add a financial page to its public website and include a link to the Audits for the last three years which are currently posted on the Nevada County Superintendent of Schools website.

R4 Public agencies should consider implementing the suggestions from the League of California Cities.

Bitney Prep High School will follow the guidance and instruction of the Nevada County Superintendent of Schools in meeting the suggestions from the League of California Cities.

R6 Nevada County Superintendent of Schools should report the Net Pension Liability for charter schools that are part of its agency's audit.

We were not able to separate out the NPL for each agency. In our response to the report we indicated that this may not be an option due to the excessive amount of time and cost involved in having this calculation performed.

Once again I apologize for the delay in this response and hope that our responses meet the need of the Grand Jury.

Sincerely,

Kristin Mayville

Bitney Prep High School Director

Bitney Prep High School - A BIG PICTURE LEARNING SCHOOL
135 Joerschke Dr. | Grass Valley, CA 95945 | 530.477.1235 | bitneyprep.net



CHICAGO PARK SCHOOL DISTRICT
 15725 Mt. Olive Road, Grass Valley, CA 95945
 (530) 346-2153 Fax (530) 346-8559
 Dan Zeisler, Superintendent

Katie Kohler, Principal

July 16, 2018

The Honorable Thomas Anderson
 Supervising Judge of the Grand Jury
 201 Church Street
 Nevada City, CA 95959

Reviewed
 9/4/18
 TMA

Dear Honorable Thomas Anderson:

Schools across the state have taken on the burden of a multi-billion dollar shortfall in CalSTRS and CalPERS. As a result, school districts are enduring significant increases in employee benefit contributions that far exceed cost of living adjustments allocated by the state. This is jeopardizing the quality of education (extra-curricular studies, small class sizes, etc.). With declining enrollment and teacher demands for salary increases to offset their personal increased personal retirement contributions, we have some very challenging years ahead of us. Throw in the inevitable recession, and it will be very difficult to sustain a budget that is not qualified by the county.

Here is the requested response from the Chicago Park School District regarding "Unfunded Pension Liabilities:"

RECOMMENDATIONS:

Recommendation 2

Public Agencies and public employee unions should explore how increasing employee pension contributions can reduce non-funded liabilities.

This recommendation is not applicable to the Chicago Park School District. CalPERS and CalSTRS are the responsible entities regarding public employee pensions. If we did choose to reserve any funds (if they were available), it could not impact any unfunded liability as this liability is legally that of CalSTRS and CalPERS.

Recommendation 3

For the purpose of transparency and easy access, each agency should provide links to three years of audited financial statements and summary pension data for the same period on the financial page of its public website.

We agree with this, and will post links to three years of audited financial statements which include summarized pension data, on the Chicago Park School District website as soon as our IT returns from summer break in early August. In addition, it was duly noted that in Appendix B of your report – *FINANCIAL DATA TRANSPARENCY*, Chicago Park School District was rated at “Not Easily” in reference to ease of transparency on our website. We have looked at other school websites that were listed as “Transparent,” and made necessary changes on our home page to be included in that category.

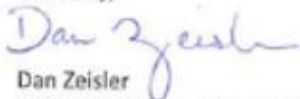
Recommendation 4

Public agencies should consider implementing the suggestions from the League of California Cities.

This report is not applicable to the Chicago Park School District. We are however, budgeting for many years of increased contributions to CalPERS and CalSTRS. In order to maintain a 17% reserve, we will decrease other areas of spending to incorporate these additional costs into the budget.

In conclusion, I would like to thank the Grand Jury for looking into this issue that has created great budgetary hardship for our local schools, which will seemingly get worse in future years. I can only hope that the legislature can acknowledge that there needs to be another way to fund our pension system than taking from already threadbare school allocations.

Sincerely,



Dan Zeisler
Superintendent – Chicago Park School District

July 24, 2018

The Honorable Thomas Anderson
Supervising Judge of the Grand Jury
201 Church Street
Nevada City, CA 95959

Reviewed
8/28/2018
TMA

Dear Honorable Thomas Anderson:

Schools across the state have taken on the burden of a multi-billion dollar shortfall in CalSTRS and CalPERS. As a result, school districts are enduring significant increases in employee benefit contributions that far exceed cost of living adjustments allocated by the state. This is jeopardizing the quality of education (extra-curricular studies, small class sizes, etc.). With declining enrollment and teacher demands for salary increases to offset their personal increased personal retirement contributions, we have some very challenging years ahead of us. Throw in the inevitable recession, and it will be very difficult to sustain a budget that is not qualified by the county.

Here is the requested response from the Clear Creek Elementary School District regarding "Unfunded Pension Liabilities:"

RECOMMENDATIONS:

Recommendation 2

Public Agencies and public employee unions should explore how increasing employee pension contributions can reduce non-funded liabilities.

This recommendation is not applicable to the Clear Creek Elementary School District. CalPERS and CalSTRS are the responsible entities regarding public employee pensions. If we did choose to reserve any funds (if they were available), it could not impact any unfunded liability as this liability is legally that of CalSTRS and CalPERS.

Recommendation 3

For the purpose of transparency and easy access, each agency should provide links to three years of audited financial statements and summary pension data for the same period on the financial page of its public website.

We agree with this, and will post links to three years of audited financial statements which include summarized pension data, on the Clear Creek Elementary School District website as soon as our IT returns from summer break in early August.

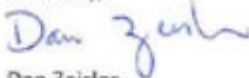
Recommendation 4

Public agencies should consider implementing the suggestions from the League of California Cities.

This report is not applicable to the Clear Creek School District. We are however, budgeting for many years of increased contributions to CalPERS and CalSTRS. In order to maintain a 22% reserve, we will decrease other areas of spending to incorporate these additional costs into the budget.

In conclusion, I would like to thank the Grand Jury for looking into this issue that has created great budgetary hardship for our local schools, which will seemingly get worse in future years. I can only hope that the legislature can acknowledge that there needs to be another way to fund our pension system than taking from already threadbare school allocations.

Sincerely,



Dan Zeisler

Superintendent – Clear Creek Elementary School District



Forest Charter School
A Personalized Learning Public Charter School
 Accredited by the Western Association of Schools and Colleges
 530-265-4823

August 16, 2018

The Honorable Thomas Anderson
 Supervising Judge of the Grand Jury
 201 Church Street
 Nevada City, CA 95959

TMA

Dear Honorable Thomas Anderson:

I appreciate the efforts of the Grand Jury for researching and creating the report titled, "*Will the Public Suffer Because of Unfunded Pension Liabilities?*". The following is our required response to that report.

Forest Charter School administrators, board members, and staff have discussed the concerns over the impact of the increased costs required to support the State's unfunded pension liability. While we appreciate the State of California taking steps to ensure the fiscal solvency of the pension system, we are also keenly aware of the fiscal impact on the school. The increased costs exceed any increase in state revenue and there are no new funding resources to help offset this cost. To help meet this unfunded liability, Forest Charter School supplements the increase by earmarking a portion of our ending fund balance to bridge the gap of the increased costs. By 2020, we plan to fully fund our pension liability through our annual revenue. However, this increased cost will likely impact programs.

As required by Penal Code Section 933.05, Forest Charter School's response to the recommendations is as follows:

Recommendations:

Recommendation 3

For the purpose of transparency and easy access, each agency should provide links to three years of audited financial statements and summary pension data for the same period on the financial page of its public website.

Agree

Forest Charter School is sponsored by the Nevada County Superintendent of Schools (NCSoS) and our annual audits are coordinated by NCSoS. As our sponsoring agency, NCSoS is going to post three years of audited financial statements on its public website. To facilitate the public's access, we will provide links to these statements on the financial page of our school's public website. Summarized pension data is included with the audited financial statements.

In addition, to increase transparency for the public, Forest Charter School will post our current year budget and budget narrative on the financial page of our public website. The budget and budget narrative will also be available as part of the board packets posted on our website.

Recommendation 4

Public agencies should consider implementing the suggestions from the league of California cities.

Disagree

As articulated in the response from the Nevada County Superintendent of Schools, this recommendation is not applicable to Local Educational Agencies (LEA) in Nevada County and will not be implemented because CalPERS and CalSTRS are the responsible entities regarding public employee pensions. Any funds reserved at the LEA, Union or employee levels would not impact the unfunded liability as this liability is legally that of the pension systems. The LEA and employee offset this unfunded liability indirectly through the increased contributions imposed by decisions made by CalPERS and CalSTRS in their efforts to fund the long-term liabilities. However, Forest Charter School is planning for increased contributions to CalPERS and CalSTRS.

Recommendation 6

Nevada County Superintendent of Schools should report the Net Pension Liability for charter schools that are part of its agency's audit.

Agree

The Net Pension Liability for charter schools is important information and should be transparent to the public. We will work with the Nevada County Superintendent of Schools (NCSoS) to ensure that this is available and we will provide links on the financial page of our public website to this information.

I would like to once again express my appreciation to the Grand Jury for looking into this ongoing concern. We hope that the legislature can find additional funding streams to support this pension liability so that students' educations are not impacted.

Sincerely,



Peter Sagebiel
Executive Director
Forest Charter School



Grass Valley School District

24
10840 Gilmore Way
Grass Valley, CA 95945
(930) 273-4483
FAX (930) 273-0248

Eric Fredrickson
Superintendent

SENT VIA CERTIFIED MAIL: 7014 3490 0000 2199 1013

October 19, 2018

The Honorable Thomas Anderson
Supervising Judge of the Grand Jury
201 Church Street
Nevada City, CA 95959

RE: Response to Report Required

Dear Honorable Thomas Anderson:

The following is a copy of the required response to the 2017-18 Nevada County Grand Jury report entitled, "*Will the Public Suffer Because of Unfunded Pension Liabilities?*" This response was mailed to the above address on August 20 2018.

Sincerely,


Donna M. Hardy
Administrative Assistant

RECEIVED
OCT 23 2018
11:26 AM
REVIEWED
10/26/18
MA

Bell Hill Academy
(930) 273-2281

Scotten School
(930) 273-6472

Lyman Gilmore Middle School
(930) 273-8479

Grass Valley Charter School
(930) 273-8723

Child Development
(930) 273-9528



NEVADA COUNTY GRAND JURY

Eric Rood Administration Center

950 Maidu Avenue

Nevada City, California 95959

Telephone: 530-265-1730

Email: grandjury@nccourt.net

14 October 2018

Eric Fredrickson, Superintendent
Grass Valley School District
10840 Gilmore Way
Grass Valley, California 95945

Response to Report Required:

Enclosed is a copy of a report prepared by the 2017-2018 Nevada County Grand Jury entitled *Will the Public Suffer Because of Unfunded Pension Liabilities*. You were asked to respond to this report on 6 June 2018 with your responses due by 9 September. Your responses have not been received.

California Penal Code §933 requires a response to a Grand Jury report "no later than 90 days" from "the governing body of the public agency." Please be advised that your responses are now past due. Please submit your responses on or before 15 November 2018.

The report was published 11 June 2018 and posted on the Grand Jury's Website:
<http://nccourt.net/divisions/gj-reports.shtml>.

The California Penal Code also requires that responses to Grand Jury reports be addressed to:

The Honorable Thomas Anderson
Supervising Judge of the Grand Jury
201 Church Street
Nevada City, California 95959

To assist you in writing your response, we are enclosing a copy of Section 933.05 (a) of the Penal Code and an example of the correct format for responding.

The Grand Jury appreciates your cooperation.

Gordon Mangel
Foreperson, 2018-2019 Nevada County Grand Jury



traced 8/20/18 ✓

26
10840 Gilmore Way
Grass Valley, CA 95945
PH: 273-4483
FAX (909) 273-0248

Grass Valley School District

Eric Fredrickson
Superintendent

August 14, 2018

The Honorable Thomas Anderson
Supervising Judge of the Grand Jury
201 Church Street
Nevada City, CA 95959

Dear Honorable Thomas Anderson:

The following is the required response to the 2017-18 Nevada County Grand Jury report entitled, "Will the Public Suffer Because of Unfunded Pension Liabilities?" I am grateful to the Grand Jury for looking into a matter that school districts have been concerned about for years.

Both school employers and school employees have been concerned about this issue and we're glad the state of California made attempts to solve it starting in 2014. However, this attempt by the state has put a tremendous financial burden on both the employer and the employee. In most cases the increase in the schools contribution to pay down this state debt far exceeds the increases to revenue that are proposed by the state. There are no new funding streams directed toward schools to help pay this down. It is also important to remember that schools will finally be funded back to the same level as in 2007-08 with the recently signed 2018-19 state budget. Simply put, there is no money to set aside to solve the state's unfunded pension liabilities. The Grass Valley School District is still facing years of declining enrollment, which means less revenue each year. Any money set aside would come directly out of already underfunded classrooms and would directly impact students in a negative way.

As required by Penal Code Section 933.05, the Grass Valley School District's response in regard to Recommendations is as follows:

RECOMMENDATIONS:

Recommendation 2

Public Agencies and public employee unions should explore how increasing employee pension contributions can reduce non-funded liabilities.

This recommendation is not applicable to the Grass Valley School District, and will not be implemented because CalPERS and CalSTRS are the responsible entities regarding public employee pensions. Any funds reserved at the LEA, Union or employee levels would not impact the unfunded liability, as this liability is legally that of the pension systems. The employer and

Bell Hill Academy
(909) 271-2285

Scotten School
(909) 273-6472

Lyman Gilmore Middle School
(909) 273-8479

Grass Valley Charter School
(909) 273-8723

Child Development
(909) 273-9528

employee offset this unfunded liability indirectly through the increased contributions imposed by decisions made by CalPERS and CalSTRS in their efforts to fund the long-term liabilities.

Recommendation 3

For the purpose of transparency and easy access, each agency should provide links to three years of audited financial statements and summary pension data for the same period on the financial page of its public website.

We agree with this as a great tool to provide transparent information to the public. The Grass Valley School District has and shall continue to post links to at least three years of audited financial statements on the Grass Valley School District's website. Summarized pension data is included with the audited financial statements. This information can be accessed on our district website at: <http://www.gvsd.us/Community/Transparency/Budget/index.html>

Recommendation 4

Public agencies should consider implementing the suggestions from the League of California Cities.

As mentioned in the response to Recommendation #R2 above, this report is not applicable to the the Grass Valley School District. We are however, planning for many years of increased contributions to CalPERS and CalSTRS. The Grass Valley School District will decrease other areas of spending to incorporate these additional costs into the budget as there are no increases to revenue anticipated to fund these cost increases.

Once again, I would like to thank the Grand Jury for looking into this issue that has the potential for dire consequences to our local schools. My office, alongside the professional organizations we belong to, will continue to voice our concern and lobby our elected officials to pay down this unfunded liability at the state level where it originated. The Governor and the Legislature need to look at the budget surplus as one potential source to help pay off the debt.

Sincerely,



Eric Fredrickson
Superintendent



John Muir Charter Schools
 117 New Mohawk Drive, Suite F
 Nevada City, CA 95959
 Phone: 530.272.4008
 Fax: 530.272.4009
 Web: www.johnmuircs.com

August 6, 2018

The Honorable Thomas Anderson
 Supervising Judge of the Grand Jury
 201 Church Street
 Nevada City, CA 95959

*Revised 8/30/18
 JMA*

Dear Honorable Thomas Anderson:

The following is John Muir Charter Schools' (JMCS) required response to the 2017-18 Nevada County Grand Jury report entitled, "Will the Public Suffer Because of Unfunded Pension liabilities?". I am grateful to the Grand Jury for looking into a matter that John Muir Charter Schools has been concerned about in recent years.

The John Muir Charter Schools governing board, administration, and staff have been concerned about this issue and we are glad the state of California made attempts to solve the pension liability issue beginning in 2014. This attempt at resolution, however, has put a tremendous financial burden on JMCS as an employer and on JMCS employees. In most cases, the increase in the JMCS employer contribution to pay down this state debt far exceeds the increases in revenue that are proposed by the state. There are no new funding streams directed towards JMCS or public schools in general to offset these increasing contributions, and it is also important to remember that schools will finally be funded back to the same level as in 2007-08 with the recently signed 2018-19 state budget.

Simply put, there is no money to set aside to solve California's unfunded pension liabilities. JMCS enrollment and average daily attendance revenues are cyclical, and JMCS has been in declining enrollment for three years meaning reduced revenues each year. Any money set aside to offset additional pension liabilities would come directly out of already underfunded classrooms and would directly impact students in a negative way.

As required by Penal Code Section 933.05, John Muir Charter Schools response in regard to Recommendations is as follows:



John Muir Charter Schools
 117 New Mohawk Drive, Suite F
 Nevada City, CA 95959
 Phone: 530.272.4008
 Fax: 530.272.4009
 Web: www.johnmuircs.com

Recommendations:

Recommendation 2:

Public Agencies and public employee unions should explore how increasing employee pension contributions can reduce nonfunded liabilities.

This recommendation is not applicable to John Muir Charter Schools (JMCS is its own Local Educational Agency) and will not be implemented because CalPERS and CalSTRS are the responsible entities regarding public employee pensions. Any funds reserved by JMCS as an employer or by JMCS employees would not impact the unfunded liability, as this liability is legally that of the pension systems. JMCS employer and employee contributions offset this unfunded liability indirectly through the increased contributions imposed by decisions made by CalPERS and CalSTRS in their efforts to fund the long-term liabilities.

Recommendation 3:

For the purpose of transparency and easy access, each agency should provide links to three years of audited financial statements and summary pension data for the same period on the financial page of its public website.

JMCS agrees this is an appropriate practice to provide transparent information to the public, and accordingly, we will post links to the most three years of governing board approved audited financial statements on the JMCS website. Summarized pension data is included with the audited financial statements.

Recommendation 4:

Public agencies should consider implementing the suggestions from the League of California Cities.

As mentioned in the response to Recommendation #R2 above, this report is not applicable to John Muir Charter Schools. Through our multi-year budget projection process, JMCS is planning for increased STRS contributions (to 19.1%) through the fiscal year 2020-21, and PERS contributions (to 25.7%) through the fiscal year 2024-25. In the absence of future revenue increases to offset these increased pension contributions, JMCS will decrease other areas of spending to incorporate these additional costs into our annual operating budgets.



John Muir Charter Schools
117 New Mohawk Drive, Suite F
Nevada City, CA 95959
Phone: 530.272.4008
Fax: 530.272.4009
Web: www.johnmuircs.com

Once again, on behalf of the JMCS governing board, administration and staff I would like to thank the Grand Jury for looking into this issue that has the potential for dire consequences to our programs. JMCS will continue to voice our concern and work with our elected officials to pay down this unfunded liability at the state level where it originated, but we will also plan accordingly to offset these contribution increases through the multi-year budgeting process.

Sincerely Submitted,

A handwritten signature in blue ink, appearing to read "R.J. Guess", is written over a horizontal line.

R.J. Guess
Chief Executive Officer
John Muir Charter Schools

CC: John Muir Charter Schools Governing Board
Scott Lay, Nevada County Superintendent of Schools



Reviewed
9/4/18
TMA

August 28, 2018

The Honorable Thomas Anderson
Supervising Judge of the Grand Jury
201 Church Street
Nevada City, CA 95959

Dear Honorable Thomas Anderson,

The following is the required response to the 2017-18 Nevada County Grand Jury report entitled, "*Will the Public Suffer Because of Unfunded Pension Liabilities?*". I am grateful to the Grand Jury for looking into a matter that school districts have been concerned about for years.

Both school employers and school employees have been concerned about this issue and we're glad the state of California made attempts to solve it starting in 2014. However, this attempt by the state has put a tremendous financial burden on both the employer and the employee. In most cases the increase in the schools contribution to pay down this state debt far exceeds the increases to revenue that are proposed by the state. There are no new funding streams directed toward schools to help pay this down. It is also important to remember that schools will finally be funded back to the same level as in 2007-08 with the recently signed 2018-19 state budget. Simply put, there is no money to set aside to solve the state's unfunded pension liabilities. Most schools in Nevada County are still facing declining enrollment which means less revenue each year. Any money set aside would come directly out of already underfunded classrooms and would directly impact students in a negative way.

As required by Penal Code Section 933.05, the Nevada City School District response in regard to Recommendations is as follows:

RECOMMENDATIONS:

Recommendation 2

Public Agencies and public employee unions should explore how increasing employee pension contributions can reduce non-funded liabilities.

This recommendation is not applicable to Local Educational Agencies (LEA) in Nevada County and will not be implemented because CalPERS and CalSTRS are the responsible entities regarding public employee pensions. Any funds reserved at the LEA, Union or employee levels would not impact the unfunded liability as this liability is legally that of the pension systems. The LEA and employee offset this

800 Hoover Lane, Nevada City, California 95959 • Phone 530.265.1820 • Fax 530.265.1822

unfunded liability indirectly through the increased contributions imposed by decisions made by CalPERS and CalSTRS in their efforts to fund the long term liabilities.

Recommendation 3

For the purpose of transparency and easy access, each agency should provide links to three years of audited financial statements and summary pension data for the same period on the financial page of its public website.

We agree with this as a great tool to provide transparent information to the public. Along with the two years of audited financial statements that were already posted we have added three more years. Summarized pension data is included with the audited financial statements.


Recommendation 4

Public agencies should consider implementing the suggestions from the League of California Cities.

As mentioned in the response to Recommendation #R2 above, this report is not applicable to the LEA's in Nevada County. LEA's are however, planning for many years of increased contributions to CalPERS and CalSTRS. Each agency, including the NCSoS will decrease other areas of spending to incorporate these additional costs into the budget as there are no increases to revenue anticipated to fund these cost increases.

Once again, I would like to thank the Grand Jury for looking into this issue that has the potential for dire consequences to our local schools. My office, alongside the professional organizations we belong to, will continue to voice our concern and lobby our elected officials to pay down this unfunded liability at the state level where it originated. The Governor and the Legislature need to look at the budget surplus as one potential source to help pay off the debt.

Sincerely,


Trisha Bellis, Superintendent
Nevada City School District



Reviewed
9/11/18
[Signature]

September 9, 2018

The Honorable Thomas Anderson
Supervising Judge of the Grand Jury
201 Church Street
Nevada City, CA 95959

RE: Grand Jury Report: "Will the Public Suffer Because of Unfunded Pension Liabilities?"

To the Honorable Thomas Anderson:

The Nevada County Grand Jury has requested that the Nevada City School of the Arts respond to recommendations 2, 3, 4, and 7 of the report, "Will the Public Suffer Because of Unfunded Pension Liabilities?" We appreciate the opportunity to comment on relevant portions of the report pursuant to Penal Code section 933.05(b).

RECOMMENDATIONS:

2. Public agencies and public employee unions should explore how increasing employee pension contributions can reduce non-funded pension liabilities.

The recommendation requires further analysis.

Nevada City School of the Arts properly audits its financial statements as a non-profit organization and not as a governmental agency. Because Governmental Accounting Standards Board (GASB) rules do not apply to the School and because non-funded pension liabilities are not relevant to a non-profit audit report, the School is not aware of the amount, if any, of a net pension liability. Although not legally required, to cooperate with the Grand Jury the School's next audit report will include an added disclosure footnote that will contain the calculated amount of any net pension liability. The amount of any such liability will determine whether the School will agree to explore how to reduce it.

3. For the purposes of transparency and easy access, each agency should provide links to three years of audited financial statements and summary pension data for the same period on the financial page of its public website.

The recommendation will not be implemented at the present time but will be implemented in the future.

Nevada City School of the Arts will provide links to three years of audited financial statements on its public website by September 30, 2018. However, the School will not have summary pension data available, as mentioned above, until 2019.

4. Public agencies should consider implementing the suggestions from the League of California Cities.

The recommendation requires further analysis.

As mentioned above, because Nevada City School of the Arts audits its financial statements as a non-profit organization, the School has not determined a possible net pension liability. In the School's next audit report, there will be an added disclosure footnote that will include the calculated amount of any net pension liability. The amount of any such liability will determine whether the School will consider implementing the suggestions from the League of California Cities.

7. Nevada City School of the Arts should report its Net Pension Liability in its financial statements.

The recommendation will not be implemented at the present time but will be implemented in the future.

As mentioned above, because Nevada City School of the Arts audits its financial statements as a non-profit organization, the School has not determined a possible net pension liability. In the School's next audit report, there will be an added disclosure footnote that will include the calculated amount of any net pension liability.

Sincerely,



Jeff Corbett, Board Chairman

Nevada City School of the Arts



*Reviewed
8/20/18
TMA*

[Bishop Gorman High School](#) |
 [Cristoforo Colombo High School](#) |
 [Nevada Union High School](#) |
 [Washoe State University](#) |
 [WVHS](#) |
 [Winnemuccia High School](#)

July 30, 2018

The Honorable Thomas Anderson
 Supervising Judge of the Grand Jury
 County of Nevada
 201 Church Street
 Nevada City, CA 95959

RE: Response to Grand Jury Report: "Will the Public Suffer Because of Unfunded Pension Liabilities?" Recommendations #2, 3, and 4.

Dear Honorable Judge Anderson:

The following is the Nevada Joint Union High School District's statutorily required response to the 2017-18 Nevada County Grand Jury report entitled, "Will the Public Suffer Because of Unfunded Pension Liabilities?" The district appreciates the opportunity to provide information and perspective on an issue of significant concern to this and all other local education agencies (LEAs) in Nevada County.

Background

In 2013, the state legislature and governor enacted the Public Employees Retirement Pension Reform Act. Under the law, employer and employee contributions to the Public Employees' Retirement System (PERS) and the State Teachers' Retirement System (STRS) were significantly increased pursuant to a multi-year graduated formula. The largest proportion of these contribution increases fell to employer agencies. Although state funding for public education has increased significantly since 2013, the state was restoring funding that was essentially lost to LEAs due to state budget reductions during the Great Recession. This additional "unfunded mandate" was placed on LEAs with no corresponding increase in funding. The table below displays the district's estimated cost increases for state required PERS and STRS contributions on behalf of district employees.

**Estimated Cost Increases to NJUHSD
 PERS and STRS Required Employer Contribution
 As of July 1, 2018**

CAL PERS			
2017-18	2018-19	2019-20	2020-21
\$ 875,205.21	\$ 1,075,658.60	\$ 1,237,827.03	\$ 1,399,343.94
CAL STRS			
2017-18	2018-19	2019-20	2020-21
\$ 2,948,577.90	\$ 3,246,308.70	\$ 3,505,382.39	\$ 3,640,736.45

11645 Ridge Road • Grate Valley, CA 95945
 ph: 530.273.3351 • fax: 530.273.3372 • web: njuhsd.com



[Don Davis High School](#)
[Edwards Early College High School](#)
[Nevada Jones High School](#)
[Nevada Area Schools](#)
[NJTUSD](#)
[Dean George High School](#)

As shown in the table above, the district's legally required contributions are increasing significantly over the next several years. This new and increasing funding requirement must be subsumed within the district's overall budget. As a result, less funds are available for other educational, staffing, and programmatic priorities. This cost increase, along with other growing fixed obligations, are now outpacing the district's projected revenue increases. District revenues, like all other LEAs in the state, are largely pre-determined via the state's Local Control Funding Formula. As a result, LEAs have less control over their fiscal conditions than that of other local government agencies.

The district's long term fiscal challenges are further complicated by continued declining enrollment. Because the state's public education system is largely funded by average daily attendance, drops in enrollment equate to corresponding declines in revenues. The district projects, and has budgeted for, continued declines in enrollment in its board adopted three-year fiscal projection. Due to overall budget challenges, any funds set aside to address state required PERS and STRS contribution increases would likely have to come from other educational programs and/or services. This would undoubtedly negatively impact instructional and student services throughout the district.

Report Recommendations

As required by law, the district's response in regards to the report's Recommendation #2, 3 and 4 is as follows:

Recommendation 2:

Public Agencies and public employee unions should explore how increasing employee pension contributions can reduce non-funded liabilities.

This recommendation cannot be implemented and is not applicable to LEAs. Under state law, PERS and STRS are the responsible governmental agencies that oversee and set public employee pension contributions for all LEAs in the state. The district has no legal authority to set and/or adjust employee contribution rates to either pension system. Jurisdiction and authority to address this recommendation lies with the state and the governing boards of both pension systems.

Recommendation 3:

For the purpose of transparency and easy access, each agency should provide links to three years of audited financial statements and summary pension data for the same period on the financial page of its public website.

The district will explore the feasibility of implementing this recommendation. The district's employee pension obligations are reported in the district's adopted budget and its state required annual independent fiscal audit. Both documents are loaded to the district's website annually. In addition, all LEAs in the county operate on the same financial management system. The system is administered and overseen by the Nevada County Superintendent of Schools (NCSOS) office. The district will work with NCSOS to see how this recommendation can be implemented universally for all LEAs in the county.

Recommendation 4:

Public agencies should consider implementing the suggestions from the League of California Cities.

This recommendation cannot be implemented and is not applicable to LEAs. Funding for public education in the state is governed and administered under separate state statutes and regulations unique to LEAs in the state. The district is, however, projecting additional years of contribution increases to both pension systems. These increases will create further fiscal and



[Bentley High School](#) |
 [Blissville Early College High School](#) |
 [Powers Junior High School](#) |
 [Powers High School](#) |
 [All Day](#) |
 [Nevada Joint High School](#)

policy challenges to the district in the near future. The district will likely be forced to curtail and/or decrease funding in other important areas to meet the state's contribution requirements. The district does not anticipate increases in state appropriated revenues to address these growing cost obligations.

On behalf of the district's Board of Trustees, thank you for the Grand Jury's interest and examination of this important issue. Rising pension contributions to PERS and STRS pose significant challenges to the district's long term fiscal health, as well as that of all other LEAs in Nevada County. We urge the Grand Jury to join us in advocating to state officials that appropriate funding be provided to LEAs statewide to meet this statutorily required obligation. Thank you for the opportunity to respond. Please contact me if the district can be of further assistance on this matter.

Sincerely,

Brett W. McFadden
Superintendent

cc: Board of Trustees, NJUHS
The Honorable Scott W. Lay, NCSOS
Superintendents, Nevada County school districts



To:

July 19, 2018

The Honorable Thomas Anderson
Supervising Judge of the Grand Jury
201 Church Street
Nevada City, CA 95959

*Reviewed
8/20/18
SJA*

RECEIVED
AUG - 6 2018
BY:

Dear Honorable Thomas Anderson:

The following is the required response to the 2017-18 Nevada County Grand Jury report entitled, "Will the Public Suffer Because of Unfunded Pension Liabilities?". I am grateful to the Grand Jury for looking into a matter that school districts have been concerned about for years.

The Penn Valley Union Elementary School District (PVUESD) administration and Board of Trustees have been concerned about this issue since increases to contributions began in 2014. It is projected that school districts will be required to contribute an additional 2% each year as mandated by CalPERS and by Legislation for CalSTRS until the problem has been resolved. This increase by the State has put a tremendous financial burden on school districts as there are no new funding streams directed toward schools to help support the pension liability issues. Simply put, there is no money to set aside to solve the state's unfunded pension liabilities. Most schools in Nevada County are still facing declining enrollment which means less revenue each year. Any money set aside would come directly out of already underfunded classrooms and would directly impact students in a negative way.

As required by Penal Code Section 933.05, the PVUESD response in regard to Recommendations 2, 3 and 4 are as follows:

RECOMMENDATIONS:

Recommendation 2

Public Agencies and public employee unions should explore how increasing employee pension contributions can reduce non-funded liabilities.

This recommendation is not applicable to PVUESD and will not be implemented because CalPERS and the Legislation, who controls CalSTRS, are the responsible entities regarding public employee pensions. Any funds reserved by PVUESD or its employees would not impact the unfunded liability as this liability is solely the responsibility of the pension system - CalPERS and Legislation (CalSTRS). The PVUESD and its employees offset this unfunded liability indirectly through the increased contributions imposed by decisions made by CalPERS Board and our Legislation (CalSTRS) in their efforts to fund the long-term liabilities.

Recommendation 3

For the purpose of transparency and easy access, each agency should provide links to three years of audited financial statements and summary pension data for the same period on the financial page of its public website.

We agree with this recommendation as we always wish to be transparent to the public. We will post links to three years of audited financial statements on the PVUESD website immediately. Summarized pension data is included with the audited financial statements. Our website address has changed to www.pvuesd.org as of July 1, 2018.

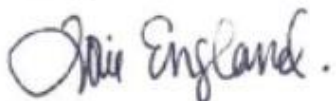
Recommendation 4

Public agencies should consider implementing the suggestions from the League of California Cities.

As mentioned in the response to Recommendation #R2 above, this report is not applicable to the PVUESD. However, PVUESD has been planning for many years of increased contributions to CalPERS and CalSTRS based on legal requirements set forth by the CalPERS Board and our Legislation. PVUESD will continue to decrease other areas of spending to incorporate these additional costs into the budget as there is no new revenue anticipated to fund these mandated increased costs.

Once again, I would like to thank the Grand Jury for looking into the unfunded pension liability that creates a huge challenge for school districts. Our administration and Board of Trustees will continue to work with various professional organizations to have our voice heard regarding the concerns and challenges the pension liabilities has on educating children. The Governor and Legislature need to look at the budget surplus as one potential source to help pay the debt they unfortunately did not plan for many years ago.

Sincerely,



Torie F. England, Ed.D.
Superintendent

PENN VALLEY UNION ELEMENTARY SCHOOL DISTRICT
14806 Pleasant Valley Rd., Penn Valley, CA 95946-9722
Phone (530) 432-7311 Fax (530) 432-7314

September 5, 2018

The Honorable Thomas Anderson
Supervising Judge of the Grand Jury
201 Church Street
Nevada City, CA 95959

*Reviewed 9/14/18
TMA*

Dear Honorable Thomas Anderson:

The following is the required response to the 2017-18 Nevada County Grand Jury report entitled, "Will the Public Suffer Because of Unfunded Pension Liabilities?". I am grateful to the Grand Jury for looking into a matter that school districts have been concerned about for years.

Both school employers and school employees have been concerned about this issue and we're glad the state of California made attempts to solve it starting in 2014. However, this attempt by the state has put a tremendous financial burden on both the employer and the employee. In most cases the increase in the schools contribution to pay down this state debt far exceeds the increases to revenue that are proposed by the state. There are no new funding streams directed toward schools to help pay this down. It is also important to remember that schools will finally be funded back to the same level as in 2007-08 with the recently signed 2018-19 state budget. Simply put, there is no money to set aside to solve the state's unfunded pension liabilities. Most schools in Nevada County are still facing declining enrollment which means less revenue each year. Any money set aside would come directly out of already underfunded classrooms and would directly impact students in a negative way.

As required by Penal Code Section 933.05, the Nevada County Superintendent of Schools Office response in regard to Recommendations is as follows:

RECOMMENDATIONS:

Recommendation 2

Public Agencies and public employee unions should explore how increasing employee pension contributions can reduce non-funded liabilities.

This recommendation is not applicable to Pleasant Ridge Union School District and will not be implemented because CalPERS and CalSTRS are the responsible entities regarding public employee pensions. Any funds reserved at the LEA, Union or employee levels would not impact the unfunded liability as this liability is legally that of the pension systems. The LEA and employee offset this unfunded liability indirectly through the increased contributions imposed by decisions made by CalPERS and CalSTRS in their efforts to fund the long term liabilities.



The Pleasant Ridge Union School District provides a safe and engaging environment where students develop academic, social and life skills to become productive, responsible citizens in a constantly changing global society.



22580 Kingston Lane, Grass Valley, California 95949 ~ 530-268-2800 ~ www.prsd.us

Recommendation 3

For the purpose of transparency and easy access, each agency should provide links to three years of audited financial statements and summary pension data for the same period on the financial page of its public website.

We agree with this as a great tool to provide transparent information to the public and will post links to three years of audited financial statements on the Pleasant Ridge Union School District website immediately. Summarized pension data is included with the audited financial statements.

Recommendation 4

Public agencies should consider implementing the suggestions from the League of California Cities.

As mentioned in the response to Recommendation #R2 above, this report is not applicable to the LEA's in Nevada County. LEA's are however, planning for many years of increased contributions to CalPERS and CalSTRS. Each agency, including Pleasant Ridge Union School District, will decrease other areas of spending to incorporate these additional costs into the budget as there are no increases to revenue anticipated to fund these cost increases.

Once again, we would like to thank the Grand Jury for looking into this issue that has the potential for dire consequences to our local schools.

Sincerely,



Rusty S. Clark
Superintendent



Sierra Montessori Academy
16229 Duggans Road
Grass Valley, CA 95949
530-268-9990

August 29, 2018

The Honorable Thomas Anderson
Supervising Judge of the Grand Jury
201 Church Street
Nevada City, CA 95959

TMA

Dear Honorable Thomas Anderson:

The following is the required response to the 2017-18 Nevada County Grand Jury report entitled, "Will the Public Suffer Because of Unfunded Pension Liabilities?". I am grateful to the Grand Jury for looking into a matter that school districts have been concerned about for years.

Both school employers and school employees have been concerned about this issue and we're glad the state of California made attempts to solve it starting in 2014. However, this attempt by the state has put a tremendous financial burden on both the employer and the employee. In most cases the increase in the schools contribution to pay down this state debt far exceeds the increases to revenue that are proposed by the state. There are no new funding streams directed toward schools to help pay this down. It is also important to remember that schools will finally be funded back to the same level as in 2007-08 with the recently signed 2018-19 state budget. Simply put, there is no money to set aside to solve the state's unfunded pension liabilities. Most schools in Nevada County are still facing declining enrollment which means less revenue each year. Any money set aside would come directly out of already underfunded classrooms and would directly impact students in a negative way.

As required by Penal Code Section 933.05, the Nevada County Superintendent of Schools Office response in regard to Recommendations is as follows:

RECOMMENDATIONS:

Recommendation 3

For the purpose of transparency and easy access, each agency should provide links to three years of audited financial statements and summary pension data for the same period on the financial page of its public website.

We agree with this as a great tool to provide transparent information to the public and will post links to three years of audited financial statements on the Nevada County Superintendent of Schools (NCSoS) website immediately. Summarized pension data is included with the audited financial statements.

Sierra Montessori Academy shall not discriminate against any individual in admission, the administration of programs or employment on the basis of race, religion, color, ethnicity, gender, national origin or sexual orientation or any other basis prohibited by federal or state law.

Recommendation 4

Public agencies should consider implementing the suggestions from the League of California Cities.

We have been planning for many years of increased contributions to CalPERS and CalSTRS. Each agency, including the Sierra Montessori Academy will decrease other areas of spending to incorporate these additional costs into the budget as there are no increases to revenue anticipated to fund these cost increases.

Recommendation 6

Nevada County Superintendent of Schools should report the Net Pension Liability for charter schools that are part of its agency's audit.

Because the charter schools that report under the NCSoS financials are considered to be part of the organization for audit purposes, the cost to split out each LEA's portion of the unfunded liability may not be practical. The Net Pension Liability that is reported under the NCSoS annual audit does include each charter schools portion. We will explore the possibility of projecting and reporting each agencies portion of the liability separately with our external auditor.

Once again, I would like to thank the Grand Jury for looking into this issue that has the potential for dire consequences to our local schools. My office, alongside the professional organizations we belong to, will continue to voice our concern and lobby our elected officials to pay down this unfunded liability at the state level where it originated. The Governor and the Legislature need to look at the budget surplus as one potential source to help pay off the debt.

Sincerely,



Stephen De Sena
Director
Sierra Montessori Academy

Sierra Montessori Academy shall not discriminate against any individual in admission, the administration of programs or employment on the basis of race, religion, color, ethnicity, gender, national origin or sexual orientation or any other basis prohibited by federal or state law.



Twin Ridges Elementary School District

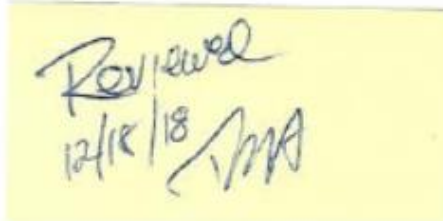
James Berardi, Superintendent/Principal

16661 Old Mill Road
Nevada City, CA 95959

(530) 265-9052
FAX (530) 265-3049

December 3, 2018

The Honorable Judge Tom Anderson
Presiding Judge of the Grand Jury
201 Church Street
Nevada City, CA 95959



Dear Judge Anderson,

This letter serves as my response to the 2017-2018 Grand Jury Report on **Will the Public Suffer Because of Unfunded Pension Liabilities**.

Recommendations:

2: Public Agencies and public employee unions should explore how increasing employee pension contributions can reduce non-funded liabilities.

The recommendation will not be implemented at this time.

The Twin Ridges Elementary School District views this recommendation as not applicable to Local Educational Agencies (LEA) because CalPERS and CalSTRS are the responsible entities regarding public employee pensions. Our general fund and other reserves would not impact the unfunded liability as it does not belong to us. The district and our employees offset this unfunded liability indirectly through the increased contributions.

3: For the purpose of transparency and easy access, each agency should provide links to three years of audited financial statements and summary pension data for the same period on the financial page of its public website.

The recommendation will be implemented.

Twin Ridges agrees with this and it will be implemented as soon as our new webpage is up and running. Transparency and access should be the goal of all public institutions.

4: Public agencies should consider implementing the suggestions from the League of California Cities.

The recommendation will not be implemented at this time.

These suggestions are not applicable to the Twin Ridges Elementary School District. (Please see #2 above) However, we are planning for on-going increased contributions to CalPERS and CalSTRS and this cost are budgeted into our annual budget and have a direct impact on employee negotiations and other services we provide.

Yours in Education,

James Berardi



Twin Ridges Home Study Charter School
 111 New Mohawk Road
 Nevada City, CA 95959
 (530) 478-1815
 www.trhs.us

September 6, 2018

The Honorable Thomas Anderson
 Supervising Judge of the Grand Jury
 201 Church Street
 Nevada City, CA 95959

Reviewed
 9/11/18
 MS

Dear Honorable Thomas Anderson:

The following is the required response to the 2017-18 Nevada County Grand Jury report entitled, "Will the Public Suffer Because of Unfunded Pension Liabilities?".

- Twin Ridges Home Study Charter School for Recommendations R3, R4, and R6 by 9 September 2018.

As required by Penal Code Section 933.05, the Twin Ridges Home Study Charter School response in regard to Recommendations is as follows:

RECOMMENDATIONS:

Recommendation 3

For the purpose of transparency and easy access, each agency should provide links to three years of audited financial statements and summary pension data for the same period on the financial page of its public website.

We agree that in the name of transparency, these financial documents should be made available to the public. Our last three years of audited financial documents can be found within the district's Audited Annual Financial report and we will post the past three years on our website. Summarized pension data is included with the audited financial statements. We will make it a top priority moving forward to work with the Nevada County Superintendent of Schools to post these documents individually for Twin Ridges

Home Study Charter on our site.

-<https://www.twinridgeshomestudy.org/school-documents-and-plans/>

Recommendation 4

Public agencies should consider implementing the suggestions from the League of California Cities.

From Scott Lay, Superintendent of Schools: This report is not applicable to the LEA's in Nevada County. LEA's are however, planning for many years of increased contributions to CalPERS and CalSTRS. Each agency, including the NCSOS will decrease other areas of spending to incorporate these additional costs into the budget as there are no increases to revenue anticipated to fund these cost increases.

Recommendation 6

Nevada County Superintendent of Schools should report the Net Pension Liability for charter schools that are part of its agency's audit.

From Scott Lay, Superintendent of Schools: Because the charters schools that report under the NCSOS financials are considered to be part of the organization for audit purposes, the cost to split out each LEA's portion of the unfunded liability may not be practical. The Net Pension Liability that is reported under the NCSOS annual audit does include each charter schools portion. We will explore the possibility of projecting and reporting each agencies portion of the liability separately with our external auditor.

Sincerely,



Kelley Soper, Director

Twin Ridges Home Study Charter School



David Curry, Superintendent

A Tradition of Excellence Since 1868

July 25, 2018
 The Honorable Thomas Anderson
 Supervising Judge of the Grand Jury
 201 Church Street
 Nevada City, CA 95959

A handwritten note on a yellow sticky note that reads "Reviewed TMA 8/24/2018". The signature "TMA" is written in blue ink, and the date "8/24/2018" is written in black ink.

Dear Honorable Thomas Anderson:

The following is the required response to the 2017-2018 Nevada County Grand Jury report entitled, "Will the public Suffer Because of Unfunded Pension Liabilities". The report was received by Union Hill School District on June 8, 2018. We thank you for looking into something that has been a challenge to UHSD and other districts for some time now.

We are grateful to the Grand Jury for the review of unfunded pension liabilities. The Union Hill School District views employee pensions as important in the recruitment and retention of school employees. Retirement contributions have increased over the years and recently surpassed 10% of our budget. We were pleased the state of California attempted to solve it beginning in 2014. However, this attempt by the state has put a tremendous financial burden on both the employer and the employee. In most cases the increase in the schools contribution to pay down this state debt far exceeds the increases to revenue that are proposed by the state. There are no new funding streams directed toward schools to help pay this down. It is also important to remember that schools will finally be funded back to the same level as in 2007-08 with the recently signed 2018-19 state budget. Simply put, there is no money to set aside to solve the state's unfunded pension liabilities. We appreciate your statement, "There is no absolute means to prevent a crisis from happening within our County" but seek to plan, prevent, and mitigate all that we can to reduce risk, threats, and disasters.

As required by Penal Code Section 933.05, the following is Union Hill School District's response in regard to Recommendations:

RECOMMENDATIONS:

2. Public agencies and public employee unions should explore how increasing employee pension contributions can reduce non-funded pension liabilities.

This recommendation is not applicable to Union Hill School District and will not be implemented in the future.

This recommendation is not applicable to Union Hill School District and will not be implemented in the future because CalPERS and CalSTRS are the responsible entities regarding public employee pensions. Any funds reserved at the District, Union or employee levels would not impact the unfunded liability as

10879 Bartlett Drive Grass Valley, CA 95945 Ph. 530.273.0647 Fax 530.273.5626 www.uhsd.k12.ca.us



David Curry, Superintendent

A Tradition of Excellence Since 1868

this liability is legally that of the pension systems. The District and employee offset this unfunded liability indirectly through the increased contributions imposed by decisions made by CalPERS and CalSTRS in their efforts to fund the long-term liabilities.

3. For the purposes of transparency and easy access, each agency should provide links to three years of audited financial statements and summary pension data for the same period on the financial page of its public website.

The recommendation has not yet been implemented, but will be implemented as soon as possible.

We agree this would be a great tool to provide transparent information to the public and will post links to three years of audited financial statements on the Union Hill School District website as soon as possible. Summarized pension data is included with the audited financial statements.

4. Public agencies should consider implementing the suggestions from the League of California Cities.

The recommendation has not yet been implemented, and will not likely be implemented in the future.

As mentioned in the response to Recommendation #2 above, this report is not applicable to the Union Hill School District. We are however, planning for many years of increased contributions to CalPERS and CalSTRS. Union Hill School District will decrease other areas of spending to incorporate these additional costs into the budget as there are no increases to revenue anticipated to fund these cost increases.

Thank you for your countywide safety assessment of our local schools. We continue to make changes based on "lessons learned" to assure the safety and security of our staff and students in Union Hill School District.

Sincerely,

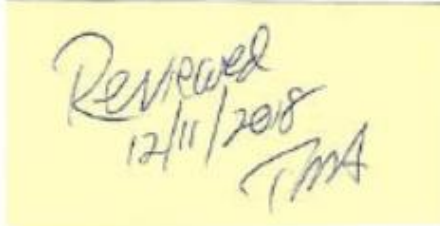

David B. Curry
Superintendent

10879 Bartlett Drive Grass Valley, CA 95945 Ph. 530.273.0647 Fax 530.273.5626 www.uhsd.k12.ca.us

November 28, 2018

Re: Unfunded Pension Liabilities Report

The Honorable Thomas Anderson
Supervising Judge of the Grand Jury
201 Church Street
Nevada City, CA 95959



Dear Honorable Thomas Anderson:

First of all, we wish to acknowledge the enclosed late response letter to your previous inquiry. As you may know, we have undergone extensive transitions moving our school site, and onboarding our new administrative team. Our team has been forming this year and we have had a strong start considering the situation, and this miss in response is quite unfortunate and we are addressing this within our own structure.

In regards to the Grand Jury request for responses, Yuba River Charter School was asked to respond to Recommendations R3, R4, and R6.

Recommendation 3

For the purpose of transparency and easy access, each agency should provide links to three years of audited financial statements and summary pension data for the same period on the financial page of its public website.

We agree and will post our audited financial statements on our governance/financial page of our website. Summarized pension data is included with the audited financial statements.

Recommendation 4

Public agencies should consider implementing the suggestions from the League of California Cities.

These are:

1. *Develop and implement a plan to pay down the city's NPL (We have projected in our multiyear budgets the growth in both PERS and STRS retirement, so that we have a realistic picture of the potential draw those increases will have. Even though other revenue has been increasing, we haven't expanded programming looking towards the future years that will require greater reserves.)*
2. *Consider local ballot measure to enhance revenues (We would support any such local ballot measures. This all-encompassing Grand Jury Report looks like a solid foundation in order to consolidate various local agencies' potential mutual interest in addressing this situation.)*

3. *Create a "Pension Rate Stabilization Program"*. (Besides our continual efforts to keep strong reserves, we haven't locked our savings in to one potential need)
4. *Change service delivery methods and levels of certain public services.* (We have been actively discussing on an Administrative and Board level the possibility of "getting out of PERS". As our Tax ID number has never been used for payroll (we use the County's), we have one chance to get out of PERS if we were to change payroll services and use our number. There are ramifications such as staff retention, as this could affect current staff retirement, and we are looking at creative solutions such as supplementing with a 403B match, or some other comparable "off ramp" from the commitment to PERS. This conversation is also happening with staff, and not yet near a point of implementation, as we are still weighing the pros and cons.
5. *Use transparent collective bargaining to increase employee pension contribution.* (We haven't broached increasing employee contributions at this date. It seems less viable for our school community)
6. *Issue a pension obligation bond.* (Through review we wouldn't support borrowing to pay back something we would then have to pay back at a greater amount down the road).

Recommendation 6

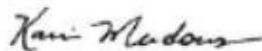
Nevada County Superintendent of Schools should report the Net Pension Liability for charter schools that are part of its agency's audit.

(For our response, we will present what came from NCSoS, as we are currently under their payroll, as stated above):

NCSoS: Because the charters schools that report under the NCSoS financials are considered to be part of the organization for audit purposes, the cost to split out each LEA's portion of the unfunded liability may not be practical. The Net Pension Liability that is reported under the NCSoS annual audit does include each charter schools portion. We will explore the possibility of projecting and reporting each agencies portion of the liability separately with our external auditor.

In closing, this issue is one that is highlighted and discussed at all of our budget meetings. How quickly the rates are increasing are continually alarming and we, as a school entity, see the coming years of unfunded increases in our liabilities as something of grave concern. As this Grand Jury investigation progresses, we would appreciate being a part of whatever kind of community solutions that may be found together.

Respectfully,



Karin Meadows

Business Manager, Yuba River Charter School



Nevada County Consolidated Fire District

640 Coyote Street Nevada City, CA 95959
(530) 265-4431
nccfd@nccfd.com • www.nccfd.com

*Reviewed
8/28/2018
To: GJ TMA*

August 22, 2018

The Honorable Thomas Anderson
Supervising Judge of the Grand Jury
201 Church Street
Nevada City, California 95959

Re: Nevada County Consolidated Fire District Board of Directors' Responses to the Nevada County Grand Jury Report, *Will the Public Suffer Because of Unfunded Pension Liabilities.*

Dear Judge Anderson:

As required by California Penal Code Section 933.05 (a), the Nevada County Consolidated Fire District Board of Directors' hereby submits its responses to the 2017-2018 Nevada County Grand Jury Report, dated June 10, 2018 entitled *Will the Public Suffer Because of Unfunded Pension Liabilities.*

The Board of Directors at their regular meeting on August 16, 2018 approved these responses to the Grand Jury's Findings and Recommendations. The Responses are based on either personal knowledge, examination of official District records, and/or information received from the Board of Directors and District staff members.

The NCCFD Board of Directors would like to thank the members of the 2017-2018 Grand Jury for their participation and effort in preparing their Reports, and their participation in the Grand Jury process. Fire Chief Jim Turner and his staff welcome any future inquiries and/or questions that the Grand Jury may have pertaining to the operations and administration of the Fire District.

Sincerely,

Keith Grueneberg, President
Nevada County Consolidated Fire District
Board of Directors

- cc: Thomas Achter, Foreperson, Grand Jury
- cc: Chris DeSena, Chair, Nevada County Consolidated Fire District Oversight Committee

In their report *Will the Public Suffer Because of Unfunded Pension Liabilities*, the Nevada County Grand Jury made recommendations for Nevada County local agencies. They asked Nevada County Consolidated Fire District for responses on the following recommendations by September 9, 2018.

During the Grand Jury's investigation, neither Fire Chief Jim Turner nor Finance Manager Jeff Van Groningen were contacted to provide pertinent information relevant to the Jury's concerns. Information contained within the Grand Jury's report was information obtained from the 2015-2016 fiscal year. The report does not use the 2016-2017 Audited Financial Statements, which contains additional information on steps taken to mitigate unfunded pension liability during the fiscal year.

Recommendations and responses:

R2 Public agencies and public employee unions should explore how increasing employee pension contributions can reduce non-funded pension liabilities.

R2 response – Currently, Pre-2013 safety personnel pay 9% of their wages to the PERS retirement fund. This can be increased to 12% if agreed to by the employee's labor union via meet and confer, or if such meet and confer results in impasse. An increased employee deduction reduces the employer share paid to CalPERS. To reduce the unfunded pension liability, the cost reduction realized by the employer would need to be paid by the employer to CalPERS to reduce the unfunded pension liability.

R3 For the purposes of transparency and easy access, each agency should provide links to three years of audited financial statements and summary pension data for the same period on the financial page of its public website.

R3 response – The annual Audited Financial Statements are, and have been, available on the NCCIFRE.com website as an integral part of the board agenda packages. The District's Audited Financial Statements contain a detailed summary of the pension data. A dedicated link for the Audited Financial Statements will be added to the District's webpage to allow users easier access to the documents.

The District has established a "Citizens Oversight Committee" to enhance transparency to its constituents to oversee District expenditures as they relate directly to the "Special Tax" that was passed in 2012. The Citizens Oversight Committee also reviews the Districts overall fiscal budget and provides comments to the Board of Directors on an annual basis, which are available on the District website.

R4 Public agencies should consider implementing the suggestions from the League of California Cities. The suggestions are:

1. Develop and implement a plan to pay down the city's Net Pension Liability (NPL).
2. Consider local ballot measures to enhance revenues.
3. Create a "Pension Rate Stabilization Program."
4. Change service delivery methods and levels of certain public services.
5. Use transparent collective bargaining to increase employee pension contributions.
6. Issue a pension obligation bond.

R4 response –

- Item 1. In the last two years, Nevada County Consolidated Fire District has addressed the paying down of the NPL. The district paid the side fund balances of the unfunded liability, totaling \$697,000. Nevada County Consolidated Fire District has also invested \$150,000 in the Public Agency Retirement Services Section 115 trust for offsetting future pension expense.
- Item 2. Agreed.
- Item 3. A Pension Rate Stabilization Program has been created. See Item 1.
- Item 4. This has been explored and some measures implemented. Further measures may be necessary as pension expenses continue to increase.
- Item 5. See R2 response.
- Item 6. This has been explored and was deemed a risk to avoid at that time. But as economic factors change, it should be revisited periodically.

Conclusion

Nevada County Consolidated Fire District Board of Directors and its Staff, are very aware of the pending unfunded pension liability ramifications for our constituents. CalPERS has taken two significant steps to reduce unfunded pension liabilities. They are a) decreasing the discount rate from 7.5% to 7.0% over a three-year period, and b) modifying the amortization period for payment of unfunded pension liabilities. Both actions have, and will, result in increased pension costs.

Nevada County Consolidated Fire District does the following to stay abreast of current and future pension costs and how they may affect the district:

- Follow current events and legislation activity (example: AB 1149).
- Forecast pension costs using various methods and programs for no less than five-years ahead.
- Budget five-years ahead to identify and mitigate potential financial challenges.

We welcome further inquiries from the Grand Jury which should be directed to Fire Chief Jim Turner or Finance Manager Jeff Van Groningen, who can be contacted at 530-265-4431.



HIGGINS AREA FIRE PROTECTION DISTRICT
of Nevada County
10106 Combie Road Auburn, CA. 95602

August 15, 2018

TMA

The Honorable Thomas M. Anderson
Presiding Judge of the Grand Jury
201 Church Street
Nevada City, CA 95959

Re: Higgins Area Fire Protection District Response to Grand Jury Report 2017–2018

Dear Judge Anderson:

The Higgins Area Fire Protection District (“District”) has carefully reviewed and considered the Findings and Recommendations of the 2017-2018 Nevada County Grand Jury report, *Will the Public Suffer Because of Unfunded Pension Liabilities?* The report requested responses from the District regarding Recommendations R2, R3, R4, and R5 on or before September 9, 2018. This letter shall serve as the official responses of the District to Recommendations R2, R3, R4, and R5 contained in the Grand Jury report, pursuant to California Penal Code section 933.05, subdivisions (a) and (b).

A. RECOMMENDATIONS:

- a. R2. Public agencies and public employee unions should explore how increasing employee pension contributions can reduce non-funded pension liabilities.

The recommendation has not yet been implemented, but will be implemented in the future

The District has conducted internal discussions regarding ways to implement short-term increases in employee contributions, but is in the process of correcting several errors to its three most recent fiscal year audited financial statements. As soon as those errors are corrected, the District will continue to explore reducing non-funded pension liability through increased employee contributions.

- b. R3. For the purposes of transparency and easy access, each agency should provide links to three years of audited financial statements and summary pension data for the same period on the financial page of its public website.

The recommendation has not yet been implemented, but will be implemented in the future.

The District typically posts its financial statements and pension data on its website as recommended; however, the District contracts with an outside firm to audit the District's financial statements, and the District is currently in the process of correcting errors in the 2015-2016 audit report. Those errors carried over to the two most recent financial statements, and the District is correcting all necessary statements. The District will post the corrected financial statements to its website as soon as those errors are corrected.

- c. R4. Public agencies should consider implementing the suggestions from the League of California Cities.

The recommendation has not yet been implemented, but will be implemented in the future.

The District is discussing plans to adopt and implement the League of California Cities' suggestions, and will report to the County when the League's suggestions have been implemented.

- d. R5. Higgins Fire Protection District should comply with Government Code 26909 and file an audited financial statement for 2015-2016.

The recommendation has not yet been implemented, but will be implemented in the future.

The District forwards a copy of its final budget to the County Auditor in accordance with Health and Safety Code, section 13895. The District contracts with an outside firm to audit the District's financial statements, and the District is currently in the process of correcting errors in the 2015-2016 audit report. The District will file the corrected audit with the County auditor as soon as those errors are corrected.

CONCLUSION

The District welcomes and appreciates the Grand Jury's interest in the District's operations, as well as the opportunity to respond to the Recommendations contained in the report. The District is confident this letter effectively addresses the concerns raised by the Grand Jury.

Sincerely,



 Donnie Militano
 Chairman
 Board of Directors

cc: Members of the Board of Directors
 Jerry Good, Fire Chief
 Thomas Achter, Foreperson, 2017-2018 Nevada County Grand Jury

Ophir Hill Fire Protection District

P.O. Box 940 ♦ 12668 Colfax Hwy ♦ Cedar Ridge, CA 95924
(530) 273-8351 ♦ Fax (530) 273-0453 ♦ ophirhillfire.org



Reviewed
10/4/2018
MA

September 25, 2018

The Honorable Thomas Anderson
Supervising Judge of the Grand Jury
201 Church Street
Nevada City, California 95959

RE: Request to Report on the subject of *Will the Public Suffer Because of Unfunded Pension Liabilities*

Dear Honorable Anderson,

Please find enclosed our recommendations to above subject report.

We apologize for our lateness caused by a change in office staff that took place recently.

Respectfully Yours,

Kris Stoeckle
Board Secretary
Ophir Hill Fire Protection District
530-273-8351
kstoeckleohfpd@gmail.com

Enclosure: Statement of Recommendation

Ophir Hill Fire Protection District - Responses to 2017-2018 Nevada County Grand Jury Report

Will the Public Suffer Because of Unfunded Pension Liabilities?

Recommendations:

R2. Public Agencies and public employee unions should explore how increasing employee pension contributions can reduce non-funded pension liabilities.

Implementation of this recommendation is not recommended at this time due to the pension contributions are currently paid by the employees/employer as outlined in the CalPERS contract.

R3. For the purposes of transparency and easy access, each agency should provide links to three years of audited financial statements and summary pension data for the same period on the financial page of its public website.

This recommendation would be considered a work in progress at this time. We have had a change in office staff and we are currently reviewing and updating the existing website to reflect and follow guidelines as suggested. We do not have an estimated time when this project will be finalized.

R4. Public agencies should consider implementing the suggestions from the League of California Cities.

This recommendation will not be implemented at this time for the following reasons: The Board of Directors maintain that the Fire District is doing all that can be done to address the Unfunded Pension Liability concerns. Increased employee pension contributions have already taken place. As a Special District, we currently follow the guidelines as per our MOU that works best for all.

Peardale-Chicago Park Fire Protection District
Responses to
2017-2018 Nevada County Grand Jury Report
Will the Public Suffer Because of Unfunded Pension Liabilities?

RECOMMENDATIONS:

R2. Public Agencies and public employee unions should explore how increasing employee pension contributions can reduce non-funded pension liabilities.

Implementation of this recommendation is not feasible considering that the pension contributions are being paid currently by the employees as part of their retirement contract as specified by CalPERS.

R3. For the purposes of transparency and easy access, each agency should provide links to three years of audited financial statements and summary pension data for the same period on the financial page of its public website.

This recommendation will not be implemented at this time, for the following reasons. The fire district maintains a website as a service to the public and utilizes volunteers to maintain the site. Our financial data is always filed with, and available to the public through, the State Controller's Office. In addition, the Office of the Nevada County Auditor Controller has all copies of audited financial statements on file.

It is the Board of Directors understanding that there is currently a plan to create an additional link to this data on the My Nevada County website, through a collaboration of the Auditor Controller Office and LAFCo. When implemented, we can then link our website to this information. We look forward to the availability of this tool to the public.

R4. Public agencies should consider implementing the suggestions from the League of California Cities.

This recommendation will not be implemented at this time, for the following reasons. The Board of Directors maintain that the Fire District is doing all that can be done to address the Unfunded Pension Liability currently. Increased employee pension contributions have already been implemented. As a Special District (Fire Protection), it would not be feasible to establish a Trust Fund, issue a bond, or change service delivery methods or levels of certain public services.

Reviewed
 MA
 9/18/18

PENN VALLEY FIRE PROTECTION DISTRICT

Fire Chief
 Don Wagner
 P.O. Box 180
 Penn Valley, CA 95946
 (530) 432-2630
 Fax (530) 432-4561
 dwagner@pennvalleyfire.com



Directors
 David Farrell, Chairperson
 Kurt Gundel, Vice-Chairperson
 Joey Jordan, Director
 Terry McMahan, Director
 Bruce Stephenson, Director
 dhughes@pennvalleyfire.com

October 22, 2018

The Honorable Thomas Anderson
 Supervising Judge of the Grand Jury
 201 Church Street
 Nevada City, CA 95959

*Reviewed
 10/26/18
 JMA*

Dear Judge Anderson,

Please find attached our response to the Nevada County Grand Jury's 06/06/2018 inquiry into unfunded pension liabilities. It was mailed to the Grand Jury 8/30/2018.

Thank you,

Debbie Hughes

Debbie Hughes
 Office Administrator

PROTECTING OUR COMMUNITY WITH PRIDE

TMA

Grand Jury Response

Before the great recession CalPERS was over 100% funded. Due to this recession many public agencies now have a Net Pension Liability. This liability varies greatly depending on the pension plan offered and the size of the agency.

The Penn Valley Fire Protection District (PVFPD) staffs two stations. Each station is staffed 24/7 with a minimum staffing of two persons. These two personnel cross-staff the equipment at their station. Station 44 has two engines and one ambulance. Station 43 has one engine, one water tender, one ambulance and one rescue vehicle. Dispatch patterns are programmed in to the CAD system to send the most appropriate vehicle from each station. While this may be inconvenient for staff, it is a cost-effective way of providing the best response with available funding. The PVFPD runs very conservative in staffing as well as all areas of operations.

In addition to the fire/rescue services provided by all of the western Nevada County fire departments, PVFPD is the only agency that provides Advanced Life Support (ALS) ambulance transportation. This service has been supported by the voters of Penn Valley.

The PVFPD has the most conservative CalPERS plan offered. In addition, more than half of PVFPD employees are PEPRAs employees which requires the employee fund their share of contributions and disallows the district to pay the employees' portion of the pension contribution. The Grand Jury failed to do the proper investigation into the different pension plans of each district as well as how each district manages its Net Pension Liability. The PVFPD was never contacted by the Grand Jury with questions. The conclusions reached by the Grand Jury were incomplete. Please see the attached responses to the Grand Jury report by the PVFPD.

FINDINGS:

Finding 1. Nearly every Nevada County agency has a Net Pension Liability.

Agree

Finding 2. Many Nevada County agencies, especially schools, lack a sufficient Net Position to successfully comply with the requirement to reduce their Net Pension Liability.

Partially agree. Without performing extensive research and review of the other agencies' Financial Statements, it is not appropriate to render an opinion on the other agencies' Net Positions.

Finding 3. Some Nevada County agencies, especially schools, have a negative Net Position.

Partially agree. Without performing extensive research and review of the other agencies' Financial Statements, it is not appropriate to render an opinion on the other agencies' Net Positions.

Finding 4. Transparency demands that financial statements provided by the office of the Superintendent of Schools identify each charter school's Net Pension Liability.

Agree

Finding 5. The strain on Nevada County agency budgets is likely to require cutbacks in services to balance the pension contribution increases.

Disagree. The PVFPD is not in a position to require cutbacks nor do we have an opinion on other agencies' forecasts. There is not enough information and too many variables to come to a viable prediction.

Finding 6. Many agencies may spend down their reserves to avoid cutbacks in services.

Partially agree. It is possible some agencies will spend down their reserves in order to avoid cutting back their services.

Finding 7. New sources of revenue may be requested by many agencies to avoid cutbacks in services or reduction of reserves.

Partially agree. It is possible some agencies will look for new sources of income to avoid spending down their reserves so they can avoid service cutbacks.

Finding 8. The public bears most of the risk if CalPERS and CalSTRS investments continue to underperform.

Partially agree. CalPERS and CalSTRS employees bear a good amount of risk as well. If the investments underperform, CalPERS can increase the employees' contribution percentage to cover the shortfalls.

Finding 9. Higgins Fire Protection District is out of compliance with Government Code 26909 by not filing an audited financial statement for 2015-2016.

Agree

Finding 10. Nevada City School of the Arts' financial statements should reflect their Net Pension Liability.

Agree

RECOMMENDATIONS:

Recommendation 2. Public agencies and public employee unions should explore how increasing employee pension contributions can reduce non-funded pension liabilities.

The recommendation is being implemented. PEPRA employees, those who became members of CalPERS after January 1, 2013, pay approximately half of their pension contribution toward CalPERS. The District does not pay the employees' share for the PEPRA employees. The majority of the PVFPD staff pay their own pension contributions and this portion will only increase as more employees are hired and subject to PEPRA rules.

Recommendation 3. For the purposes of transparency and easy access, each agency should provide links to three years of audited financial statements and summary pension data for the same period on the financial page of its public website.

The recommendation will be implemented. The PVFPD website has been updated to include three years of audited financial statements. The links to these documents can be found in the Board of Directors section of the website.

Recommendation 4. Public agencies should consider implementing the suggestions from the League of California Cities.

The recommendation will be implemented to the extent applicable. As previously stated, the PVFPD has the most conservative CalPERS contribution plan offered. In addition, approximately 8.6% of the General Fund was spent on pension liabilities for Fiscal Year 2017-18. This is well below the 11.2% cited in the report from the League of California Cities. Starting with Fiscal Year 2018-2019, CalPERS reduced the payback time period for unfunded liabilities for all agencies. This accelerated payback will reduce long term costs. In the future the PVFPD may consider a ballot measure to help alleviate increasing pension and other direct operating costs. At this time the timing is unknown for such an event.



Truckee Fire Protection District

*Proudly providing service to portions of both Nevada and
Placer Counties and the Town of Truckee*



Board of Directors

*Gary R. Botta
Victor R. Hernandez
Gerald W. Herrick
Erin E. Prado
Paul D. Wilford*

Fire Chief

William G. Seline

Division Chiefs

*Craig A. Harvey
Rod A. Brock*

August 21, 2018

The Honorable Thomas Anderson
Supervising Judge of the Grand Jury
201 Church Street
Nevada City, CA 95959

RE: Required Responses to the 2017-2018 Nevada County Grand Jury Report

Dear Honorable Thomas Anderson,

The Truckee Fire Protection District Board of Directors and Administration has reviewed the 2017-2018 Nevada County Grand Jury report and has prepared the following required responses.

FINDINGS:

F1. Nearly every Nevada County agency has a Net Pension Liability.

Agree

F2. Many Nevada County agencies, especially schools, lack a sufficient Net Position to successfully comply with the requirement to reduce their Net Pension Liability.

Agree.

F3. Some Nevada County agencies, especially schools have a negative Net Position.

Agree. However, TFPD does not have a negative Net Position.

F4. Transparency demands that financial statements provided by the office of the Superintendent of Schools identify each charter schools Net Pension Liability.

Agree.

F5. The strain on Nevada County agency budgets is likely to require cutbacks in services to balance pension contribution increases.

Truckee Fire Protection District
 Supervising Judge of the Grand Jury
 2017-2018 Nevada County Grand Jury Responses
 August 21, 2018
 Page 2 of 4

Disagree partially. While we agree that many Nevada County agencies are in the difficult position of having to consider cutbacks in services, TFPD anticipates that we will be able to maintain current levels of services. However, further increases in pension contributions, may preclude TFPD from increasing our services.

F6. Many agencies may spend down their reserves to avoid cutbacks in services.

Agree.

F7. New sources of revenue may be requested by many agencies to avoid cutbacks in services or reduction of reserves.

Agree.

F8. The public bears most of the risk if CalPERS and CalSTRS investments continue to underperform.

Agree.

F9. Higgins Fire Protection District is out of compliance with Government Code 26909 by not filing an audited financial statement for 2015-2016.

Agree. However, we would like to note that we have no independent knowledge of this fact and are relying entirely on the Grand Jury's report as to this finding.

F10. Nevada City School of the Arts' financial statements should reflect their Net Pension Liability.

Agree. However, we would like to note that we have no independent knowledge of the laws applicable to Nevada City School of the Arts and are relying entirely on the Grand Jury's report as to this finding.

RECOMMENDATIONS:

R2. Public agencies and public employee unions should explore how increasing employee pension contributions can reduce non-funded pension liabilities.

Truckee Fire Protection District
 Supervising Judge of the Grand Jury
 2017-2018 Nevada County Grand Jury Responses
 August 21, 2018
 Page 3 of 4

The recommendation has been implemented. In 2013, "Classic" tier employees of TFPD began paying the full 9% normal member contribution when TFPD ended the employer paid member contribution (EPMC) benefit. Further, during the next employee negotiations in 2019, TFPD intends to explore the option of having employees pay for a share of the employer contributions to CalPERS pursuant to the cost-sharing provisions of Section 20516 of the California Government Code.

R3. For the purposes of transparency and easy access, each agency should provide links to three years of audited financial statements and summary pension data for the same period on the financial page of its public website.

The recommendation has been implemented. The TFPD audited financial statements for the FYE 17, 16 and 15, along with a summary of pension data, can be found on the financial page of the TFPD website at <https://www.truckeefire.org/district-finances>. The FYE 18 audited financial statement will be uploaded to this site upon its completion.

R4 Public Agencies should consider implementing the suggestions from the League of California Cities.

1. Develop and implement a plan to pay down the City's Unfunded Actuarial Liability (UAL):

The recommendation has not yet been implemented, but will be implemented in the future. While the League of California Cities Study was limited to pension liabilities, it is important to consider that UAL for many public agencies, including TFPD, include OPEB liabilities – retiree health benefits. TFPD began funding its OPEB UAL in 2008 and is now 41% funded. TFPD's present goal is to first pay down its OPEB liability which is less funded than its pension liability which is currently 76% funded. Once the OPEB liability is at a sustainable level, TFPD will focus on improving its pension UAL above and beyond the annual UAL payments required by CalPERS.

2. Consider local ballot measures to enhance revenues:

The recommendation has been implemented. In 2008, the District implemented a \$50 per residential property Benefit Assessment to support specific additional personnel and services. In 2017, the District surveyed the Martis Valley portion of the District for the possible implementation of a special tax. Only 44% of the voters were supportive of the possible tax so the District has not continued this initiative.

Truckee Fire Protection District
 Supervising Judge of the Grand Jury
 2017-2018 Nevada County Grand Jury Responses
 August 21, 2018
 Page 4 of 4

3. Create a Pension Stabilization Program (PRSP):

The recommendation will not be implemented because it is not warranted. The TFPD has made a determination to focus on paying down its OPEB UAL. Any excess funds will be used to make additional payments directly to CalPERS to pay down the TFPD pension UAL. TFPD does not see any present value in creating a pension stabilization program.

4. Change service delivery methods and levels of certain public service:

This recommendation will not be implemented because it is not warranted. After the 2008 Great Recession the District experienced a 20% decrease in revenue from property taxes. This forced the District to reduce staffing levels and other ancillary services like defensible space chipping. Staffing levels have returned to 2008 levels, however, other discretionary services/expenses have not been reinstated. Future CalPERS contribution increases will most likely result in a limitation on expanding current services.

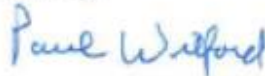
5. Use procedures and transparent bargaining to increase employee pension contributions:

This recommendation has been partially implemented. In 2013, "Classic" tier employees of TFPD began paying the full 9% normal member contribution when TFPD ended the EPMC benefit. Further, during the next employee negotiations in 2019, TFPD intends to explore the option of having employees pay for a share of the employer contributions to CalPERS pursuant to the cost-sharing provisions of Section 20516 of the California Government Code.

6. Issue a pension obligation bond (POB)

This recommendation will not be implemented because it is not reasonable. Based on the recommendation of the Government Finance Officers Association (GFOA), we are not considering this course of action at this time given the volatility of the market and the complexity of POBs.

Sincerely,



Paul D. Wilford
 Chairman
 Truckee Fire Protection District Board of Directors



NEVADA IRRIGATION DISTRICT

1036 W. Main Street, Grass Valley, CA 95945-5424
 (530) 273-6185 – Fax: (530) 477-2646 – www.nidwater.com

July 19, 2018

The Honorable Thomas Anderson
 Supervision Judge of the Grand Jury
 201 Church Street
 Nevada City, CA. 95959



Regarding: Will the Public Suffer Because of Unfunded Pension Liabilities?
 2017-2018 Nevada County Grand Jury

Dear Honorable Thomas Anderson:

The Nevada Irrigation District reviewed the entire report and pursuant to Penal Code section 933.05, provide the following responses:

R2 Recommendation:

Public agencies and public employee unions should explore how increasing employee pension contributions can reduce non-funded pension liabilities.

R2 Response:

The Nevada Irrigation District negotiates, in good faith, the benefits offered to employees who participate in unions through its' Memorandum of Understanding (MOU) agreements. Required employee contributions toward this benefit are examined during the process which considers the District's current and future financial position. Staff is cognizant of increasing pension costs and partners with the District to share this burden.

Furthermore, the legislature recognized ever increasing pension cost by enacting the California Public Employee's Pension Reform Act (PEPRA) effective January 2013. The act places a higher costs responsibility on new members through mandated cost sharing while extending contributions before reaching retirement.

R3 Recommendation:

For the purposes of transparency and easy access, each agency should provide links to three years of audited financial statements and summary pension data for the same period on the financial page of its public website.



NEVADA IRRIGATION DISTRICT

1036 W. Main Street, Grass Valley, CA 95945-5424
(530) 273-6185 – Fax: (530) 477-2646 – www.nidwater.com

R3 Response:

As identified in the Grand Jury Report, NID satisfied the three year transparency request. The Nevada Irrigation District's website presents three years of Comprehensive Annual Financial Reports (CAFR). The Required Supplemental Information (RSI) section presents ten years of Net Pension Liability (NPL) information in accordance with GASB Statement No. 68.

R4 Recommendation:

Public agencies should consider implementing the suggestions from the League of California Cities.

R4 Response:

While the District appreciates the grand jury's efforts to solicit assistance from the League of Cities, utility special district operations are not comparable to full service cities. Primarily, cities rely on property and sales tax revenue to fund police, fire, recreational and other non-utility services. These revenues rise and fall with the economic condition of that city and county while utility special districts' do not. Utility special districts are primarily driven by rates and user fees having the ability to stabilize revenues periodically through the Prop 218 process. Cities can reduce services such as police and fire but at the risk of increased crime and higher insurance rates. Nevada Irrigation District (NID), a special water district cannot decrease regulated services unless mandated by State and Federal Laws.

Regarding the recommended alternatives, creating a Section 115 Trust, issuing a pension obligation bond or adopting a shorter amortization schedule to relieve the liability only shifts the Employer Unfunded Accrued Liability (UAL) to another liability that must then be funded. For cities struggling with cash flow, perhaps issuing a 50 or 75-year bond to relieve the 30-Year liability provides temporary cash flow relief.

Cities as well as special districts could consider a local ballot measure to fund the UAL. However, given the financial position of NIDs' PERS plan, that is the cash position to annual payouts as well as the District's ability to control revenue, the Board has elected not to pursue this approach. Furthermore, adopting a separate revenue measure is redundant as NID can accomplish this through its' comprehensive and balanced rate setting strategy. Utility special district's ability to adjust revenues on a periodic basis provides flexibility to manage the highly



NEVADA IRRIGATION DISTRICT

1036 W. Main Street, Grass Valley, CA 95945-5424
 (530) 273-6185 – Fax: (530) 477-2646 – www.nidwater.com

volatile UAL. Unfortunately, cities and school districts do not possess this level of revenue control.

In conclusion, there are many variables actuaries employ to estimate an employer's UAL, thus increasing the uncertainty that any amortization period will truly relieve the liability. Nevada Irrigation District believes the 30-Year amortization schedule developed by CALPERS actuaries is sufficient to reduce the liability over a reasonable timeframe. Please do not hesitate to contact the District for additional information.

Sincerely,



Kenneth Scherzinger, MBA, PE,
 General Manager
scherzinger@nidwater.com



Marvin V. Davis, MBA, CPA
 Finance Manager/Treasurer
davismv@nidwater.com

TAHOE-TRUCKEE SANITATION AGENCY



A Public Agency
13720 Butterfield Drive
TRUCKEE, CALIFORNIA 96161
(530) 587-2525 • FAX (530) 587-5840

Directors

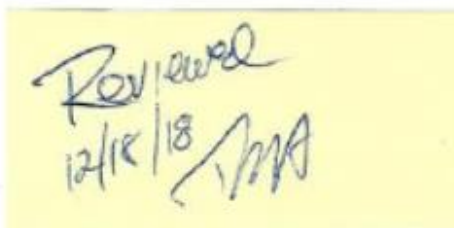
S. Lane Lewis: President
Dale Cox: Vice President
Jon Northrop
Dan Wilkins
Blake Tresan

General Manager

LaRue Griffin

December 13, 2018

The Honorable Thomas M. Anderson
Supervising Judge of the Grand Jury
201 Church Street
Nevada City, CA 95959



Re: Response to "Will the Public Suffer Because of Unfunded Pension Liabilities."

The Tahoe-Truckee Sanitation Agency has received your request for a response to items R2 and R4 as indicated in your letter dated 13 November 2018. Please accept the following responses from our Board of Directors to the Nevada County Grand Jury accordingly.

1. **Recommendation R2:** Public agencies and public employee unions should explore how increasing employee pension contributions can reduce non-funded pension liabilities.

Recommendation R2 Response: *The recommendation has not yet been implemented, however, the Agency intends to explore the recommendation during its upcoming employee negotiations within the upcoming months.*

2. **Recommendation R4:** Public agencies should consider implementing the suggestions from the League of California Cities.

Recommendation R4 Response: *The recommendation has not yet been implemented, however, the Agency intends to develop and implement a plan to reduce its NPL within the 2019 calendar year.*

Should you have any further questions please contact our office and we will be glad to assist you.

Regards,

LaRue Griffin,
General Manager



Truckee Donner Public Utility District

August 31, 2018

TMA

Directors
 Joseph R. Aguera
 Jeff Bender
 Bob Ellis
 Tony Laliotis
 Paul Warmerdam
 General Manager
 Michael D. Hooley

The Honorable Thomas M. Andersen
 Presiding Judge of the Grand Jury
 201 Church Street
 Nevada City, CA 95959

RE: Response to Grand Jury Report on the subject of *Will the Public Suffer Because of Unfunded Pension Liabilities.*

Dear Honorable Judge Anderson:

In response to the Grand Jury Report dated June 6, 2018 regarding Unfunded Pension Liabilities.

FINDINGS:

F1 Nearly every Nevada County agency has a Net Pension Liability.

AGREE

F2 Many Nevada County agencies, especially schools, lack a sufficient Net Position to successfully comply with the requirement to reduce their Net Pension Liability.

AGREE

F3 Some Nevada County agencies, especially schools, have a negative Net Position.

AGREE

F4 Transparency demands that financial statements provided by the office of the Superintendent of Schools identify each charter school's Net Pension Liability.

AGREE

F5 The strain on Nevada County agency budgets is likely to require cutbacks in services to balance the pension contribution increases.

AGREE

F6 Many agencies may spend down their reserves to avoid cutbacks in services.

AGREE

F7 New sources of revenue may be requested by many agencies to avoid cutbacks in services or reduction of reserves.

AGREE

11570 Donner Pass Rd, Truckee, CA 96161 – Phone 530-587-3896 – www.tdpud.org

F8 The public bears most of the risk if CalPERS and CalSTRS investments continue to underperform.

AGREE

F9 Higgins Fire Protection District is out of compliance with Government Code 26909 by not filing an audited financial statement for 2015-2016.

AGREE

F10 Nevada City School of the Arts' financial statements should reflect their Net Pension Liability.

AGREE

R2 Public agencies and public employee unions should explore how increasing employee pension contributions can reduce non-funded pension liabilities.

The recommendation has been partially implemented. California reformed its pension laws effective 2013; the District implemented employee cost share in accordance with the laws of the State of California.

R3 For the purposes of transparency and easy access, each agency should provide links to three years of audited financial statements and summary pension data for the same period on the financial page of its public website.

The recommendation has been implemented. Three years of audited financial statements and summary pension data for the same period are available on the financial page of the District's website.

R4 Public agencies should consider implementing the suggestions from the League of California Cities.

The recommendation has been implemented. The District in 2011 issued a Pension Obligation Bond for interest cost savings. The District in 2016 refunded the Pension Obligation Bond to capitalize on additional interest cost savings. The District is also changing its service delivery methods by leveraging technology to streamline service and produce cost efficiencies.

The Truckee Donner Public Utility District would like to thank the members of the 2017-2018 Grand Jury for their participation and effort in preparing their reports and raising issues of important for the County.



Michael Holley, P.E.
General Manager

NEVADA CEMETERY DISTRICT
P. O. Box 2400
Nevada City, CA 95959
530-265-3461

Honorable Thomas Anderson
Nevada County Grand Jury
201 Church Street
Nevada City, CA 95959

October 29, 2018

Please find attached a second copy of our reply to the 2017-2018 Grand Jury recommendations. Our original reply was mailed to the court on August 15, 2018. We have been notified by the Grand Jury office that they have not received our August 15, 2018 reply. The original reply was signed by all the Nevada Cemetery District Trustees in the original. This copy is the same as the first but not all trustees are available to sign this copy.

We would appreciate a telephone call at 365-3461 when this copy is received by the Clerk of the Grand Jury..

Sincerely yours,


Dennis Cassella, Board Chair



NEVADA CEMETERY DISTRICT
 P.O.BOX 2400
 10523 WILLOW VALLEY ROAD
 NEVADA CITY, CA 95959
 530-265-3461 530-265-8706 (fax)

The Honorable Thomas Anderson
 Supervising Judge of the Grand Jury
 201 Church Street
 Nevada City, California 95959

August 15, 2018

Your Honor:

In reference to 2017-2018 Grand Jury Report "Will the Public Suffer Because of Unfunded Pension Liabilities?"

Recommendation R-2. "Public agencies and public employee union should explore how increasing employee pension contributions can reduce non-funded pension liabilities."

Partially agree: We agree that the public agencies should explore the issue of expanding contributions but there are other agencies whose voice must be heard. The California Public Employees Retirement System (CalPERS) has contract language in place which limits the agreements that the employer and employees can make concerning the mutual agreement that can be reached to share the pension costs. It is our understanding that the employee rate cannot exceed 8% in our agreement with CalPERS. We attempted to set the rate at 50%-50% and we informed that such rate for the employee could not exceed 8%.

The recommendation will not be implemented at the present time. It is not within our authority to negotiate employee contracts that CalPERS will not honor.

Recommendation R-3. "For the purposes of transparency and easy access, each agency should provide links to three years of audited financial statements and summary pension data for the same period on the financial page of its public website."

Partially Agree. Standards should be set for the format of the "summary pension data". We are leery of going beyond the statement of our auditor. Small special districts do not have the knowledge or resources to agree or dispute the findings of our auditors concerning the pension system.

The recommendation will be implemented by posting the annual audit on our website. Two years of audits are now posted.

Recommendation R4. Public agencies should consider implementing the suggestions from the League of California Cities.

Partially Agree. Solutions applicable to a general or charter, city or county may or may not be applicable to an independent (or dependent) special district. Various California codes give specific powers to a special district. In cemetery districts, the power is provided to set rates that align with the cost of providing goods and services. Some goods and services are specifically not allowed to a cemetery district and others are required in subsequent legislation such as setting the fee for endowment services with the use and timing thereof rigidly regulated. One general statement does not apply equally to all.

Additionally, the published suggestions "What Cities can Do Today" begin with #7. The content of the first 6 was not evident.

The recommendations will not be implemented, at the present time. Recommendations arising from the specific public agency service industry would have better application.

Respectfully submitted,

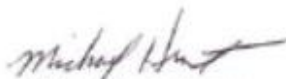
The Trustees of the Nevada Cemetery District


Dennis Cassella, Chair

/S/ signed
Gerald Bushore, Vice Chair


Alan Archer, Trustee


Sushila Mertens, Trustee


Michael Hurst, Trustee



**Nevada County
Resource Conservation District**

113 Presley Way, Suite One, Grass Valley, CA 95945 • (530) 272-3417 • www.ncrcd.org

79

July 11, 2018

Reviewed
7/18/18
TMA

The Honorable Thomas Anderson
Supervising Judge of the Grand Jury
201 Church Street
Nevada City, CA 95959

Regarding: Nevada County Resource Conservation District's response to Grand Jury report titled, *"Will the Public Suffer Because of Unfunded Pension Liabilities"*

RECOMMENDATIONS:

R2. Public agencies and public employee unions should explore how increasing employee pension contributions can reduce non-funded pension liabilities.

Partially Agree - The recommendation is being researched presently

Our retirement policy mimics that of Nevada County's. The District plans to research pension options and add greater personal retirement participation for (new) employees.

R3. For the purposes of transparency and easy access, each agency should provide links to three years of audited financial statements and summary pension data for the same period on the financial page of its public website.

Agree - The recommendation has been implemented

Our audited financial statements for years 1999 through 2017 and summary pension data reports for 2016 and 2017 have been uploaded to our website. The summary pension data report for 2018 will be uploaded to our website when it is received.

1

R4. Public agencies should consider implementing the suggestions from the League of California Cities.

Disagree - The recommendation will not be implemented at the present time

The District maintains a secure funding stream and is not confronted with city-size issues and funding. Our district is too small and has too few employees to make implementing the suggestions from the League of California Cities feasible. We do, however, receive Annual Unfunded Accrued Liability invoices from CalPERS and pay them when received.



Nevada County Resource Conservation District Board of Directors
Robert G. Ingram, President
July 11, 2018

Truckee Cemetery District

P.O. Box 2803

Truckee, California 96160

(530) 587-6553

Reviewed
11/05/2018
MA

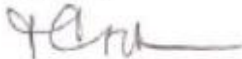
November 1, 2018

The Honorable Thomas Anderson
Supervising Judge of the Grand Jury
201 Church St.
Nevada City, CA 95959

Dear Sir:

In response to the recommendation R3 in the Nevada County Grand Jury report entitled "Will the Public Suffer Because of Unfunded Pension Liabilities" the Truckee Cemetery District will implement the recommendation by posting the last 3 years' audited financial statements on the District website www.truckeecemeterydistrict.com. The District maintains no pension plan.

Sincerely,



Tricia Cook, Secretary

Truckee Cemetery District Board of Trustees



TRUCKEE TAHOE AIRPORT DISTRICT
 10356 Truckee Airport Rd.
 Truckee, CA 96161
 (530) 587-4119 tel
 (530) 587-2984 fax
 WWW.TRUCKEETAHOEAIRPORT.COM

DIRECTORS
 LISA WALLACE
 TERESA O'DETTE
 JOHN JONES
 JAMES W. MORRISON
 RICK STEPHENS

August 28, 2018

TMA

Honorable Thomas Anderson
 Supervising Judge of the Grand Jury
 201 Church Street
 Nevada City, CA 95959

Re: Response to June 11, 2018 Grand Jury Report (Unfunded Pension Liabilities)

Dear Judge Anderson:

Pursuant to the 2017 -18 Grand Jury Report regarding unfunded liabilities, this District was requested to respond to recommendations R2 and R4. Our responses are below:

R2 Public Agencies and Public Employee Unions should explore how increasing employee pension contributions can reduce non-funded pension liabilities.

The employees of the Truckee Tahoe Airport District are not unionized nor do they have an association or bargaining unit. All pay scales have been adopted by the Board of Directors which includes an identification of the amount of contributions by the District and the employees. There are three levels of contributions;

- "Classic" employees, whose contributions are 12.212 percent by the District and 8 percent the employee;
- One employee was hired in 2013 and is a "mid-level" employee wherein the District contributes 7.634 percent and the employee contributes 7 percent;
- Effective January 1, 2013, the District adopted the California Public Employee's Pension Reform Act "PEPRA" and pursuant to that all employees hired after its adoption are subject to that Act wherein the District contributes 6.842 percent and the employee contributes 6.25 percent.

It should also be noted that the District is paying down its unfunded liability per an agreement with Cal PERS in addition to making the required contributions for current payroll. The unfunded liability has always been noted on the District's Balance Sheet and the District has recognized and addressed the unfunded liability for years.

R4 Public Agencies should consider implementing the suggestions from the League of California Cities.

connected, by more than a runway
 WWW.TRUCKEETAHOEAIRPORT.COM

Suggestion 7: As noted above, the District has a plan which it is implementing pursuant to its agreement with Cal PERS.

Suggestion 8: The District does not intend to submit a ballot measure to enhance revenues as our revenues are sufficient to meet all financial commitments.

Suggestion 9: The District has discussed and is considering creating a pension rate stabilization program.

Suggestion 10: The District did not need to reduce or eliminate its services during the Great Recession.

Suggestion 11: As noted above, the District does not have an employee organization and therefore has not considered entering into such an agreement although we have adopted the PEPRA protocols.

Suggestion 12: The District has not and is not considering issuing a pension bond obligation.

As you can see, it is the District's belief that we have adequately addressed the unfunded liabilities and should encounter no difficulties in carrying through with our agreement with Cal PERS on this issue.

Yours truly,



KEVIN SMITH, A.A.E.
General Manager

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2017-2018 DETENTION FACILITY INSPECTION REPORT

2017-2018 Nevada County Grand Jury

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2017-2018 Detention Facility Inspection Report

Summary

The 2017-2018 Nevada County Grand Jury (Jury) has conducted an inspection of the detention facilities in the County of Nevada (County) to “inquire into the conditions and management of the public prisons within the county” as required by Penal Code Section 919(b). The Jury toured and inspected the Wayne Brown Correctional Facility (Wayne Brown), the Carl F. Bryan II Juvenile Hall (Juvenile Hall), the Washington Ridge Conservation Camp (Washington Ridge), and two holding facilities: the Nevada County Sheriff’s Office’s Truckee Sub-Station (Truckee Jail) and the Nevada County Superior Court Holding Facility in Nevada City (Nevada City Holding Facility).

There are three problems with the detention facilities that the Jury believes should be addressed.

California law provides that the sheriff in each county may establish an Inmate Welfare Fund (IWF) to pay for services to inmates. The balance in the IWF at Wayne Brown at the end of the 2016-2017 fiscal year was approximately \$400,000. The Nevada County Sheriff’s Office (NCSO) has issued regulations concerning the administration of the Wayne Brown IWF but the regulations are not being followed. While the uses of the IWF are broadly discretionary and no misuses of such funds are apparent, compliance with written policies is important when large amounts of money are being collected and expended. The NCSO should either follow the policies it has promulgated or promulgate new policies that reflect how the IWF is being administered.

The Jury also was concerned by the air quality it experienced in the Nevada City Holding Facility. The Jury became more concerned when it could find no record of the air quality having been tested. The multitude of unhealthy agents that could be present in the ill-ventilated basement of an old building requires at a minimum that testing be done.

Finally, the 2015-2016 Grand Jury reported on the excessive costs associated with maintaining Juvenile Hall when the number of juvenile detainees has radically decreased. That report estimated an excessive cost in the neighborhood of \$2,000,000 per year. Juvenile Hall continues in operation notwithstanding that there are now even fewer detainees than there were two years ago. While the programs offered at Juvenile Hall are exemplary, the cost is prohibitive. The Board of Supervisors must investigate alternatives to this over-expenditure of scarce County funds.

Other than those issues, in general, the Jury found the public prisons in the County to be well managed and in good condition except for problems related to the age of the facilities at the Nevada City Holding Facility and at the Truckee Jail. The Jury has issued a separate report on conditions related to the transport of prisoners to and from the Truckee Branch of the Nevada County Superior Court.

Glossary

2015-2016 Report

AB109

Cal Fire

CDCR

CO

County

Nevada City Holding Facility

IWF

Jury

Juvenile Hall

NCSO

TAY

Truckee Jail

Washington Ridge

Wayne Brown

Grand Jury's 2015-2016 Report entitled "Carl F. Bryan II Regional Juvenile Hall - Is It Worth the Cost?"

California Public Safety Realignment Act of 2011

California Department of Forestry and Fire Protection

California Department of Corrections and Rehabilitation

Correctional Officer

County of Nevada

Nevada County Superior Court Holding Facility

Inmate Welfare Fund

Nevada County Grand Jury

Carl F. Bryan II Juvenile Hall

Nevada County Sheriff's Office

Transitional Age Youth Program

Nevada County Sheriff's Office's Truckee Sub-Station

Washington Ridge Conservation Camp

Wayne Brown Correctional Facility

Background

The California Constitution of 1849 provides in Section 23 of Article 1 that a grand jury "be drawn and summoned at least once a year in each county." Accordingly, the Superior Court in each of the 58 counties in the State yearly impanels a grand jury whose civil function is to investigate the operation of the various officers, departments, and agencies of local government. A grand jury may examine all aspects of county and city government, special districts, and other tax-supported organizations to ensure that the best interests of the citizens of the county are being served. The grand jury reviews and evaluates procedures, operations, and systems utilized by local agencies to determine whether more effective methods may be employed.

California Penal Code Section 919(b) requires each county's grand jury to inquire annually into the condition and management of public prisons within the county. The subject of this report is the results of this year's Jury's inquiry into the condition and management of the public prisons in the County.

Approach

The Jury inspected each of the public prisons in the County as follows:

Truckee Jail	August 24, 2017
Nevada City Holding Facility	September 7, 2017
Wayne Brown	October 5, 2017
Juvenile Hall	January 11, 2018
Washington Ridge	March 8, 2018

These inspections included a walk-through of each facility, interviews, and a review of procedures and documents related to each facility. In addition, the Jury reviewed previous Jury reports on the facilities.

The Jury observed the condition of each building and discussed the management of each facility with its staff. Where appropriate, the infirmary was inspected for any insufficiencies and/or hazardous conditions. The kitchen in each facility, where present, was inspected. Educational and vocational programs as well as discipline and inmate grievance procedures were reviewed. Policies for inmate classification, orientation, and visitation were also reviewed.

The following describes the current condition of each facility.

Wayne Brown Correctional Facility

Wayne Brown was originally opened in 1992 with a rated capacity of 239 inmates. Its capacity has varied over the years. In 2007 the average daily population was 189 inmates but by 2016 the average daily population had increased to 210. In October 2017 it was 220. The current rated capacity is 283 inmates with 5 additional beds in the medical unit to be used as needed.

Wayne Brown is staffed with three full-time deputies, 47 correctional officers (CO), and five sergeants. The ratio of male to female COs is approximately 50/50. There is an ongoing problem with maintaining mandatory minimum staffing due to a lack of applicants who can pass the background check needed to qualify. In addition, COs often apply to become deputies when the opportunity arises. The shortage of COs and mandatory minimum staffing requirements result in the regular need for mandatory overtime and shift extensions.

The infirmary is staffed by one nurse. One nurse practitioner is also available during the day shift to handle sick call. There is a doctor on call and one full time psychological worker to handle psychological issues. Such issues have become more of a problem in recent years. These professionals evaluate mental disorders or competencies to determine if inmates should be transferred to a state hospital or other secure treatment facility.

The Jury visited the housing pods, recreational room, toured the intake area including the sally port, holding cells, safety cell, and reviewed the booking process. The housing and intake areas were well maintained and clean. It appeared that there were sufficient surveillance cameras to

maintain the safety of inmates and staff. The Jury also interviewed prisoners away from staff for their input into jail operations.

All cooking and baking is performed in-house at Wayne Brown. The kitchen is commercial grade and is staffed by federal inmates who are eligible to do such work. Due to the longer terms for such federal inmates, they provide more continuity in the kitchen. Unfortunately, the kitchen does not offer food handler certification to help in job placement when inmates return to society as does the kitchen at Juvenile Hall.

The traditional library has been replaced by digital resources. The former library room has been converted to a space for mindfulness stress reduction programs, inmate dramatic productions, and other recreational opportunities.

There were several areas of concern in connection with the operation of Wayne Brown. First, the Public Safety Realignment Act of 2011 (AB109) transferred certain inmates from State prison to county jails and increased the number of felons in county jails. In the past, the normal maximum term in county jails was one year. Wayne Brown, like most county jails, was not designed for housing long-term inmates. It lacks, for example, the recreation facilities that are offered in state prisons. It is not clear how this issue can be resolved without State intervention.

Another area of concern is the management of the IWF. The IWF is established by Penal Code Sec. 4025 which states: “The sheriff of each county may establish, maintain and operate a store in connection with the county jail and for this purpose may purchase confectionery, tobacco and tobacco users' supplies, postage and writing materials, and toilet articles and supplies and sell these goods, articles, and supplies for cash to inmates in the jail.” Subsequent subsections speak to other sources of revenue for the IWF. Substantial amounts of money are involved. The balance of funds in the Wayne Brown IWF at the beginning of 2017 was \$399,901.

Pursuant to the statute, the permitted uses of funds from the IWF are, among others:

- generally, uses primarily for the benefit, education, and welfare of the inmates confined within the jail;
- the salary and benefits of personnel used in the programs to benefit the inmates such as education, drug and alcohol treatment, and “other programs deemed appropriate by the sheriff;” and
- to augment those required county expenses such as meals, clothing, housing, or medical services “as determined by the sheriff to be in the best interests of inmates.”

Thus, use of IWF funds is broadly discretionary. It appears that the NCSO has adopted a conservative approach to the use of IWF funds, keeping close to the statutorily approved uses.

The NCSO has adopted a directive (Corrections Division Directive #64) “[t]o establish procedure [sic] for the administration of the Inmate Welfare Fund.” Directive #64 establishes

numerous operational procedures for the IWF. However, the NCSO appears to be out of compliance with Directive #64 as follows:

- Section A of Directive #64 establishes a Welfare Fund Committee comprising 3 voting members: the Facilities Operations Lieutenant, the Facility Support Lieutenant, and a “volunteer member from the general public.” Directive #64 provides that “[t]he committee shall provide advice and counsel regarding administration and expenditures of the Inmate Welfare Trust Fund.” There currently is no Welfare Fund Committee. There is no input from a member of the general public. Decisions about purchases from the IWF currently are reviewed up the chain of command in the same manner as non-IWF expenditures.
- Section B of Directive #64 sets forth “Staff Duties” for a Facility Support Lieutenant, an Accounting Assistant, and a Program Manager. Currently, the “Staff Duties” provisions of Directive #64 are not followed. It appears that the listed duties are carried out but not by the staff designated in Directive #64.
- Section E of Directive #64 provides that “Inmate Welfare Fund property will be assigned a permanent welfare fund ID number and entered onto an asset inventory list. An inventory will be conducted annually by the Facility Support Lieutenant and the Program Manager.” There are currently no inventories maintained as required by Section E. A general inventory of items above a designated price threshold is maintained at Wayne Brown but there is no separate inventory for the IWF.

There is no statute or policy that requires the NCSO to follow its own directives concerning the IWF. Nor have we been able to find any source of “best practices” concerning the operations of an IWF in California. There is a separate statute, Penal Code Sec. 5005, that establishes IWFs in the State prisons and it specifically requires biennial audits and, in the intervening years, a “statement of operations.” However, that statute does not apply to IWFs in county jails like Wayne Brown.

No audit of the IWF has been performed by the County Auditor nor are transactions in the IWF reviewed by anyone other than the NCSO. The Auditor-Controller has not performed a separate audit of the fund but individual transactions are reviewed by that office. The Jury has not found any suspicious financial activity related to the IWF but the lack of an inventory and the sporadic summary reports of financial activity provided to the Board of Supervisors make any analysis of IWF income and expenditures challenging.

Carl F. Bryan II Juvenile Hall

Pursuant to California law, only persons under 18 years of age at the time of his or her violation can be held in juvenile detention facilities. For a variety of reasons discussed in detail in the Jury’s 2015-2016 report, entitled *Carl F. Bryan II Regional Juvenile Hall - Is It Worth the Cost?* (2015-2016 Report), there is an ongoing national and local trend away from incarceration of juveniles and in favor of alternatives to detention including release on recognizance, release on

bond, community support, and formal evidence-based monitoring programs. At the time of the Jury's inspection of Juvenile Hall, there were four detainees resident in a facility configured to hold 30 detainees. All four of the detainees were from Nevada County. While the County has agreements with neighboring counties for the detention of juveniles from those counties at Juvenile Hall, there have not been any such detainees at Juvenile Hall for several months. One reason for the drop off in detainees from other counties is the recent completion of a new juvenile facility in Tuolumne County.

As discussed in the 2015-2016 Report, one result of the decrease in juvenile detention and the maintenance of state-mandated staffing levels has been a steadily rising cost per detainee. A new California program called the Transitional Age Youth Program (TAY) has been in effect for about a year. The TAY program relates to detainees who are 18 years of age or older but under 21 years of age on the date their offense was committed. It permits incarceration of such detainees outside of county jails in facilities such as Juvenile Hall that offer programs for rehabilitation. Modifications have been made to Juvenile Hall so that detainees in the TAY program can be detained there but not co-mingled with the 17 and under detainees. It was hoped that the TAY program would increase the number of detainees at Juvenile Hall and reduce the cost per detainee. Unfortunately, very few detainees eligible for TAY have been available and there has been no amelioration of the financial difficulties that were discussed in the 2015-2016 Report.

The County continues to spend upwards of \$2,000,000 on Juvenile Hall that could be saved by placing juvenile detainees in juvenile halls in other counties. In its response to the 2015-2016 Report, the Board of Supervisors asserted that housing detainees in other counties would increase costs by requiring NCSO deputies or Probation officers drive detainees to and from the places of detention. However, we note that all of the contracts that the County entered into with neighboring counties for detention of their juveniles at Juvenile Hall provided that Nevada County would bear the costs of transportation. Hence, we would expect that Nevada County would not incur those costs in sending juveniles the other way.

At the time of the Jury's visit, we observed that the facility is clean and well maintained. There are numerous programs and incentives to help detainees get a fresh start. Recreational facilities and educational programs are provided. Detainees are able to acquire work skills in gardening and the culinary arts. All meals are prepared onsite and detainees can earn culinary worker certifications that can be used for work after they are released.

The interaction between inmates and COs appeared to be cordial. The staff appears to be forward thinking and firm but respectful of their charges.

Juvenile Hall experienced a brief period of intensive use last summer when detainees from the Yuba and Sutter County juvenile halls, at risk during the Oroville Dam crisis, were transferred here. Thirty-four new detainees arrived on very short notice. By all accounts, the staff and facilities performed well. The kitchen was able to ramp up to meet the increased needs and even got some of the Yuba and Sutter detainees working on food preparation.

In summary, it appears that Juvenile Hall continues to be a well-run and maintained facility. While the financial issues discussed in the 2015-2016 Report, in particular the \$2,000,000 annual excess cost, continue to be a concern, the administration and staff continue to work on encouraging uses that could reduce the financial problems. One promising possibility involves the use of the building as a regional facility for incarceration and treatment of prisoners with mental health issues. Such a use is in very preliminary stages of discussion but, if it is possible, could help solve an ongoing and increasing problem in jails in the foothill counties.

In its response to the 2015-2016 Report the Board of Supervisors pointed out that "Resolution No. 00-427, dated September 5, 2000, passed by the Nevada County Board of Supervisors, to receive the Construction Grants Program Grant Contract between the State Board of Corrections and County of Nevada, funding to build the Carl F. Bryan II Juvenile Hall stipulates in Exhibit D, page 1 of 4, "The Grantee assures and certifies that it: will not dispose of, modify the use of, or change the terms of the real property title, or other interest in the site or facilities, or lease the facility for operation by other entities, without permission and instructions from the Office of Juvenile Programs, U.S. Department of Justice." We note that the TAY program comprised such an alternative use and the approval for that alternate use from the U.S. Department of Justice was obtained through a brief exchange of emails. It is difficult to believe that the Department of Justice will force the County to operate Juvenile Hall at an excess cost of \$2 million per year.

The Jury has no further recommendations for change at this time. The Jury again entreats the Board of Supervisors to consider closing down Juvenile Hall and to find an alternative use of the facility. While the programs offered at Juvenile Hall are exemplary, the cost is prohibitive.

Washington Ridge Conservation Camp

Washington Ridge, located northeast of Nevada City off Route 20, is one of 44 conservation camps administered jointly by the California Department of Corrections and Rehabilitation (CDCR) and the California Department of Forestry and Fire Protection (Cal Fire). The cooperation between CDCR and Cal Fire is impressive. While in the camp the inmates are under the supervision of CDCR but when working as firefighters or performing community service projects, they are under the supervision of Cal Fire. CDCR officers are on duty at all times.

Washington Ridge has a resident inmate capacity of 100 but can handle up to 300 additional firefighters when necessary to respond to major disasters. The current inmate population is 78 including support inmates assigned to do the cooking, cleaning, yard maintenance, and equipment maintenance and repair. The primary cause of the camp operating below capacity is the reassignment of non-violent offenders from State prisons to county jails as mandated by AB109. As a consequence of AB109, the eligible pool of inmates available for assignment to conservation camps has decreased over the years. In response, the CDCR and Cal Fire have started to broaden the prerequisites for eligibility to serve time in the conservation camps. In addition, they have sought to encourage county sheriffs to transfer eligible inmates from county jails to conservation camps. There currently is one NCSO inmate serving at Washington Ridge. The cost to the County for that inmate being housed and fed at Washington Ridge is \$10/day.

The camp is self-sufficient. It has its own well and a back-up generator that can run the whole camp. It maintains five fire trucks each having a crew of 13-17 inmates. The trucks are equipped to be self-sustaining for days, if necessary. The inmates do the maintenance on the trucks and on the other fire-fighting equipment including chainsaws and hand tools. The firefighting inmates are selected in a multi-step process and are carefully trained to perform their dangerous duty. Even though many man-hours of service are provided yearly fighting fires within the State the number of accidents is very low. In addition to firefighting, the crews perform needed work in the community. Local projects have included cutting firewood, working in public parks, and performing needed work for nonprofit programs such as maintenance for parks and sports fields. Crews are available for \$250 per day for a full crew for counties, cities, and certain nonprofit organizations. Washington Ridge estimates that local communities have saved \$3.5 million in the last year due to the use of Washington Ridge inmates doing community improvement projects. During 2017, Washington Ridge inmates did an estimated 115,000 hours of community service work and 69,000 hours of firefighting.

Washington Ridge continues to be a well-run and maintained facility. The Jury has no recommendations for changes or improvements at this time.

Nevada County Sheriff's Office's Truckee Sub-Station

The Truckee Jail is used to temporarily hold inmates arrested in eastern Nevada County until they can be transferred to Wayne Brown and to house inmates transferred from Wayne Brown to stand trial at the Truckee Branch Courthouse. The Truckee Jail also serves as a holding facility for the Truckee Police Department, the Sheriff Departments of Sierra and Placer Counties, and the California Department of Parks and Recreation. There is 24-hour staffing with a minimum of two COs including one female CO and two trustees. One trustee is on site full time and one part time. Transportation to and from Wayne Brown is the responsibility of NCSO deputies. In addition to staff on duty, first response medical personnel and the local fire department serve the facility as needed.

The Truckee Jail was built in the early 1960s and it is showing its age. Nevertheless, it appears to be adequate for its limited use. The Jury has issued a separate report on conditions related to the transport of prisoners to and from the Truckee Branch of the Nevada County Superior Court.

Nevada County Superior Court Holding Facility

The Jury inspected the Nevada City Holding Facility including its administrative offices, the security monitoring station, its cells, the hallways leading to the courtrooms, and the sally port through which the prisoners are brought into the facility. We questioned the deputies and the COs regarding their duties, prisoner treatment, safety of the prisoners, safety of the public, security, maintenance of the hygiene level, and air quality in the building.

Inmates brought to the Nevada City Holding Facility arrive in a law enforcement vehicle at the sally port and are escorted into the holding area where they are secured in individual cells. When

it is time for the inmate's court appearance, the inmate is chained and handcuffed, and then escorted through public hallways and the lobby into a courtroom where the inmate is guarded by an armed deputy sheriff.

The Nevada City Holding Facility includes a control room where multiple cameras allow the COs to monitor the movements of inmates from the cells to the courtrooms. There are also cameras directed at entrances and exits to the courthouse and some on the exterior of the building to help control access. The cell area was clean and well maintained, and nothing appeared to be a potential danger for either the prisoners or the COs who supervise the prisoners.

Although there is little risk of escape, the location of a public access door into the lobby on the east side of the first floor does present an enticement to the prisoner. Because of the restraints employed and the alertness of the officers, any prisoner who attempts to flee is unlikely to be successful.

There is an air quality problem in the area where the NCSO's administrative offices and security monitoring station are located. The County is responsible for the maintenance of the building and the Jury could find no record that the County has made any effort to measure air quality at that location. Asked about air quality in the control center, no one could remember it having been tested. Moreover, no one knew if or when maintenance had been performed on the ventilation system. This is a potential issue for both inmates and COs because of the propensity of bacteria to flourish in a closed environment with many different individuals passing through. During our visit, two members of the Jury were affected by the quality of the air.

The age of the building also causes concern about the existence of asbestos possibly being used in its construction. If so, it creates a health hazard to the lungs of everyone who enters the building, and especially those who remain in it for a prolonged period.

Findings

- F1** The written policies and procedures of the Sheriff's Office concerning the Inmate Welfare Fund are not being followed.
- F2** The County continues to spend upwards of \$2,000,000 on Juvenile Hall that could be saved by placing juvenile detainees in juvenile halls in other counties.
- F3** The air quality in the administrative and holding cell area at the Nevada County Courthouse Holding Facility in Nevada City is poor.

Recommendations

The Nevada County Grand Jury recommends:

- R1** The Nevada County Sheriff's Office should comply with the regulations that it has established for the administration of the Inmate Welfare Fund at the Wayne Brown Correctional Facility.
- R2** Alternatively, the Nevada County Sheriff's Office should draft new regulations that describe procedures that actually are being followed in connection with the administration of the Inmate Welfare Fund.
- R3** The Nevada County Board of Supervisors should undertake an urgent review of alternatives to the current use of Juvenile Hall to explore more cost-effective uses of the facility and to explore the placement of Nevada County juvenile detainees in juvenile halls in neighboring counties.
- R4** The Nevada County Sheriff's Office and the Nevada County Board of Supervisors should cause tests to be done of the air quality in the Nevada County Courthouse Holding Facility in Nevada City to insure that it is safe.

Request for Responses

Pursuant to Penal Code section 933.05, the Nevada County Grand Jury requests responses from the following:

Nevada County Sheriff's Office for Findings F1 and F3 and Recommendations R1, R2, and R4 by 9 August 2018.

Nevada County Board of Supervisors for Finding F2 and Recommendations R3 and R4 by 9 August 2018.

RESPONSES

TMA/AL

**NEVADA COUNTY
SHERIFF'S OFFICE**



KEITH ROYAL
SHERIFF/CORONER
PUBLIC ADMINISTRATOR

June 22, 2018

The Honorable Thomas M. Anderson
Presiding Judge of the Grand Jury
201 Church Street
Nevada City, CA 95959

RE: Response to Grand Jury Report on the subject of Detention Facility Inspection Report

Dear Honorable Judge Anderson:

The Nevada County Sheriff's Office appreciates the opportunity to weigh in on this report by the Grand Jury, published on May 13, 2018 regarding the Detention Facility Inspection Report. The Sheriff's Office is aware the Grand Jury is mandated to inquire into the condition and management of the public prisons within the County, in this case the jail system. The Sheriff's Office absolutely encourages the Grand Jury to tour any of the facilities, with or without prior notice. We are fully open to input from the Grand Jury and take their outside perspective of Findings and Recommendations seriously.

However, there is no legal requirement that the Grand Jury write a report on any particular aspect of the inquiry. It is wholly unclear why the Grand Jury has again made the decision to point out in a public document a potential security flaw that could compromise the safety of the public, inmates and staff. On prior occasions, the Sheriff's Office has made it very clear how serious it takes any safety and security information and has made prior releases to the Grand Jury of this type of information conditional. The Sheriff's Office would strenuously urge the Grand Jury to refrain from future public releases of Safety and Security information without first consultation with the responsible entities; in this case, the Court and the Sheriff's Office.

FINDINGS:

- F1** The written policies and procedures of the Sheriff's Office concerning the Inmate Welfare Fund are not being followed.

Disagree

The Sheriff's Office disagrees with this finding as it is misleading.

The Grand Jury reports, "Section B of Directive #64 sets forth "Staff Duties" for a Facility Support Lieutenant, an Accounting Assistant, and a Program Manager. Currently, the "Staff Duties" provisions of Directive #64 are not followed. It appears that the listed duties are carried out but not by the staff designated in Directive #64". The Sheriff's Office does not have an employee on

staff under the job classification of "Program Manager" and has not for numerous years. However, the Sheriff's Office does have staff overseeing and managing the programs offered inside the Jail, as well as commissary services.

- F3** The air quality in the administrative and holding cell area at the Nevada County Courthouse Holding Facility in Nevada City is poor.

Disagree

The Sheriff's Office disagrees with the Grand Jury findings because it appears to be based on inaccurate and/or incomplete information.

Per the Grand Jury, "Moreover, no one knew if or when maintenance had been performed on the ventilation system." It can't be discerned who "no one" is. If the Grand Jury is referring to Court Holding Staff, then there's a very small likelihood they would be familiar with the maintenance schedule of the ventilation system. However, by simple inquiry, the Sheriff's Office has learned that County Maintenance inspects the system and changes out the filters on a quarterly basis. They have also responded to off cycle maintenance requests. Neither County Maintenance nor Environmental Health are aware of any air quality complaints by staff at Court Holding.

Per the Grand Jury, "During our visit, two members of the Jury were affected by the quality of the air." This statement is too vague to be of use. In speaking with Environmental Health, they would have expected more information regarding the symptomology of how the two Jury members were affected, approximately eight (8) months ago. Environmental Health did respond to Court Holding on May 16, 2018 to test the air for any chemical contaminants and subsequently reported negative findings. To date, the Sheriff's Office has not received any complaints from staff as to the quality of the air at Court Holding.

Per the Grand Jury, "The age of the building also causes concern about the existence of asbestos possibly being used in its construction. If so, it creates a health hazard to the lungs of everyone who enters the building, and especially those who remain in it for a prolonged period." The Grand Jury presents no factual information in its report that asbestos actually exists, only the possibility drawn from speculation, presumably "due to the age of the building"? During the Sheriff's Office investigation, we found that if in fact asbestos does exist, the health hazard under the circumstances is remote to non-existent. Per Nevada County Environmental Health, asbestos presents no health hazard to the lungs of anyone unless it is disturbed and then becomes airborne.

RECOMMENDATIONS

The Nevada County Grand Jury recommends:

- R1** The Nevada County Sheriff's Office should comply with the regulations that it has established for the administration of the Inmate Welfare Fund at the Wayne Brown Correctional Facility.

This recommendation will not be implemented. See the Sheriff's Office response for "R2".

- R2** Alternatively, the Nevada County Sheriff's Office should draft new regulations that describe procedures that actually are being followed in connection with the administration of the Inmate Welfare Fund.

This recommendation will not be implemented as proposed by the Grand Jury. There is no need to "draft new regulations". However, the current policy has been revised with minor changes to reflect our current staffing.

- R4** The Nevada County Sheriff's Office and the Nevada County Board of Supervisors should cause tests to be done of the air quality in the Nevada County Courthouse Holding Facility in Nevada City to insure that it is safe.

The recommendation will not be implemented because it is not warranted or is not reasonable.

Unfortunately, some of the conclusions in the Grand Jury report appear to be erroneous. The County does have the ability to detect chemicals that may be dispersed through the ventilation system or simply present in a room. During our investigation of the claims made by the Grand Jury, no airborne chemicals were detected by Environmental Health staff. Additionally, there have been no respiratory issues presented or reported by staff working in the Court Holding area. Our investigation showed there have been a few service requests (no heat, air pressure, odd smell, etc.) directed at County Maintenance related to the HVAC system at the courthouse since the first of this calendar year, none involving staff being affected by the air quality. The HVAC systems is regularly maintained and inspected on a quarterly basis by County Maintenance. With the very limited information provided by the Grand Jury in their report, it is impossible to decipher how the "two members of the Jury were affected by the quality of the air."

The Sheriff's Office would like to thank the members of the 2017-2018 Grand Jury for their participation and effort in preparing their reports. We are committed to providing the highest level of safety and security to our community.

Sincerely,



Keith Royal
Sheriff-Coroner

COUNTY OF NEVADA
STATE OF CALIFORNIA
BOARD OF SUPERVISORS



Heidi Hall, 1st District
Chair Edward C. Scofield, 2nd District
Dan Miller, 3rd District
Wm. "Hank" Weston, 4th District
Vice-Chair Richard Anderson, 5th District

Julie Patterson Hunter,
Clerk of the Board

July 10, 2018

The Honorable Thomas Anderson
Presiding Judge of the Nevada County Grand Jury
201 Church Street
Nevada County, CA 95959

Reviewed
7/13/18
JMA

RE: Board of Supervisors' Responses to the FY 2017/18 Nevada County Civil Grand Jury Report, "Detention Facility Inspection Report."

Dear Honorable Judge Anderson,

As required by California Penal Code Section 933, the Board of Supervisors hereby submits its responses to the FY 2017/18 Nevada County Civil Grand Jury Report; dated May 11, 2018 entitled "*Detention Facility Inspection Report*."

These responses to the Grand Jury's Findings and Recommendations were approved by the Board of Supervisors at their regular meeting on July 10, 2018. The Responses are based on either personal knowledge, examination of official County records, or information received from the Board of Supervisors and County staff members.

The Board of Supervisors would like to thank the members of the FY 2017/18 Grand Jury for their participation and effort in preparing their Reports, and their participation in the Grand Jury process.

Sincerely,

Handwritten signature of Edward C. Scofield in blue ink.

Edward C. Scofield, Chairman
Nevada County Board of Supervisors

cc: Thomas Achter, Foreman, Grand Jury
Richard Haffey, County Executive Officer
Alison Barratt-Green, County Counsel
Keri Klein, Public Defender
Phebe Bell, Behavioral Health
Michael Heggarty, Health and Human Services Agency
Steve Monaghan, Information General Services
Michael Ertola, Chief Probation Officer

950 Maldu Avenue, Suite 200, Nevada City CA 95959-8617
phone: 530.265.1480 | fax: 530.265.9836 | toll free: 888.785.1480 | email: bdofsupervisors@co.nevada.ca.us
website: <http://www.mynevadacounty.com/nco/bos>

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NEVADA COUNTY BOARD OF SUPERVISORS RESPONSES TO
2018 Nevada County Civil Grand Jury Report
Detention Facility Inspection Report
DATED July 10, 2018

Responses to findings and recommendations are based on either personal knowledge, examination of official county records, review of the responses by the County Executive Officer, Probation, County Counsel, Public Defender, Behavioral Health, and Health and Human Services agency representatives or testimony from the Board of Supervisors and county staff members.

A. RESPONSES TO FINDINGS

F2. The County continues to spend upwards of \$2,000,000 on Juvenile Hall that could be saved by placing juvenile detainees in juvenile halls in other counties.

Agree

B. RESPONSES TO RECOMMENDATIONS

R3: The Nevada County Board of Supervisors should undertake an urgent review of alternatives to the current use of Juvenile Hall to explore more cost-effective uses of the facility and to explore the placement of Nevada County juvenile detainees in juvenile halls in neighboring counties.

The recommendation has already been implemented, in part.

A county interdisciplinary workgroup has been established and is reviewing the use and cost of the juvenile hall facility. The workgroup includes Probation, Sheriff's Office, County Executive Office, County Counsel, Public Defender, Behavioral Health and Health and Human Services representatives. As this report notes, the facility was built utilizing Department of Justice (DOJ) funds and any change in use is subject to DOJ approval.

R4. The Nevada County Sheriff's Office and the Nevada County Board of Supervisors should cause tests to be done of the air quality in the Nevada County Courthouse Holding Facility in Nevada City to insure that it is safe.

This recommendation will not be implemented at the present time

To date, no complaints have been lodged by the holding facility or the Sheriff's Office regarding the air quality at the Nevada County Courthouse Holding Facility in Nevada City. The County will make a determination on whether a test should be done of the air quality at the Nevada County Courthouse Holding Facility in Nevada City pending the Sheriff's response to the Grand Jury's Report on findings F3 and R4.

APPENDIX

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CITIZEN COMPLAINT GUIDELINES

The Grand Jury receives complaints from Nevada County citizens concerning a variety of grievances. These complaints are assigned to one of the standing committees for action.

The Grand Jury may refuse to act on a complaint, particularly if the matter is under judicial review, appears to be more appropriate for action by another agency, or is out of the Grand Jury's jurisdiction. Some complaints may remain open for action by the following Grand Jury as deemed appropriate.

Submission of a Complaint

Complaints must be in writing and legible. All normal attempts to resolve the problem should have been taken prior to the submission of a complaint. When these efforts have been proven unsuccessful, a complaint form should be prepared and submitted.

Content of a Complaint

The complaint form is designed to help an individual supply pertinent data regarding the reason for the complaint.

1. Identify yourself with your full name, correct mailing address, and a phone number where you can be contacted during office hours.
2. Identify the nature of your complaint.
3. Identify all of the people involved and how they might be contacted.
4. Furnish copies of documents that may support your allegations. **According to California Evidence Code 140 all submitted documents are evidence and will not be returned.**
5. Be specific reporting the reasons for your claim. Avoid making broad statements.

Confidentiality

The *complainant's identity is rigorously guarded* and the Grand Jury is forbidden by law to release any information about investigations.

You will receive written acknowledgment of your complaint after it is received. The acknowledgment will be mailed to the address on the complaint form. You may not receive any other communication from the Grand Jury.

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PLEASE LIST OTHER PERSONS OR AGENCIES YOU HAVE CONTACTED ABOUT THIS COMPLAINT.

DESCRIBE THE ACTION YOU WISH THE GRAND JURY TO TAKE.

PROVIDE ADDITIONAL INFORMATION YOU BELIEVE MAY BE HELPFUL IN AN INVESTIGATION.

COMPLAINANT:

The information in this form is true, correct, and complete to the best of my knowledge.

Date: _____

Name (please print): _____

Telephone: _____

Address: _____

Signature: _____

*Your confidentiality will be rigorously protected.
All complaints addressed to the Grand Jury will be acknowledged promptly.*

CONSIDER BECOMING A GRAND JUROR ARE YOU UP TO THE CHALLENGE?

Have you ever seen a newspaper article that outlined a study and a report done by our Nevada County Grand Jury? Have you wondered about what this “thing called Grand Jury” is all about? Indictment proceedings behind closed doors and the power to subpoena citizens and documents in the course of an investigation ... the activities of grand juries have always been shrouded in a bit of mystery.

The grand jury is one of the oldest civil institutions in America. Its roots can be traced as far back as the Norman conquest of England in 1066, where a body of notable citizens was chosen to protect the community. In 1635, the first American grand jury was empaneled in the Massachusetts Bay Colony and by 1683, grand juries were present in all of the colonies.

Today, although 42 states have some form of grand jury, only California and Nevada mandate that County Grand Juries be empaneled every year to conduct civil investigations of county government and to hear evidence to decide whether to return indictments.

The functions of a County Grand Jury include indictment, accusation, and, by far the most frequently exercised function, civil investigation and reporting (also known as the “oversight function”).

Investigations by a grand jury may be undertaken as a result of a complaint of a private citizen or as a result of data analysis, inspections, or interviews conducted by jurors. Over the past decade, Nevada County Grand Jury investigations have resulted in reports that include topics such as:

1. *Alternative Education: NUHS Telecommunications Partnership Academy: 2006-2007*
2. *Compensation and Benefits Review of the County Board of Supervisors: 2007-2008*
3. *Child Protection and Welfare: 2010-2011*
4. *Vagrancy in Nevada County – Illegal Campfires: 2014-2015*
5. *Body Worn Cameras: 2015-2016*

This short sample of report titles is taken from the more than 70 reports issued by the Nevada County Grand Jury over the past 10 years. “The Superior Court – County of Nevada” web site (<http://nccourt.net>) has all of these reports available to the general public.

In Nevada County, citizens volunteer to serve as members of the grand jury. The application period closes each year on May 1st. From this pool of volunteers, 19 are selected by the Superior Court and they serve for a period of one year, beginning in July.

What kinds of people serve as grand jurors? Jurors come from all walks of life. We have retired lawyers, engineers, school principals, building contractors, medical professionals, military officers, business owners, homemakers, government employees ... and the list goes on.

What kinds of attributes and skills are necessary? You need to be able to take an unbiased look at the way government works and, when necessary, offer solutions or suggest more efficient management of operations. You also need to possess strong personal ethics, curiosity, computer literacy, and high energy to face the workload. Grand jurors operate under a strict code of behavior and confidentiality. Grand jurors lawfully function only as a body so you need to be a team player. Expect to be in session for up to three days each week. “Homework” is a necessary part of the job as well. A juror will often put in between 15 and 20 hours in a week.

Do not expect much group or individual publicity ... all panel sessions are conducted in secret. In July, at the beginning of the jury year, you are sworn in by the Supervising Judge of the Grand Jury and instructed that you are expected to maintain complete secrecy of jury proceedings both during and after the year has concluded. There is some remuneration.

The grand jury recruitment process begins in February. The hours are not incidental, the pay is almost non-existent, there is pressure and no public recognition, but it is incredibly interesting, mind expanding, and vitally important.

To borrow a phrase from a credit commercial, ”WHAT’S IN YOUR WALLET ... WOULD YOU LIKE IT TO BE A NEVADA COUNTY GRAND JURY BUSINESS CARD?”

Are you up to the challenge?

For further information on the Nevada County Grand Jury, peruse any of the reports, or to obtain an application access <http://nccourt.net>.

Nevada County Grand Jury Application

Name: _____

Address: _____

Home Telephone: _____

Business Telephone: _____

Mobile Phone: _____

Email Address: _____

The California Penal Code, Section 893 sets forth the qualifications for Grand Jurors. The following eight questions are included to determine if you meet the Penal Code requirements.

	<u>YES</u>	<u>NO</u>
1. Are you a United States citizen?	_____	_____
2. Are you 18 years of age or older?	_____	_____
3. Have you been a resident of Nevada County for at least one year?	_____	_____
4. Do you speak English?	_____	_____
5. Are you currently serving as a trial juror?	_____	_____
6. Are you within one year of having been discharged as a grand juror?	_____	_____
7. Have you ever been convicted of malfeasance in office or of any felony?	_____	_____
8. Are you currently serving as an elected public official or an elected member of a public agency's board?	_____	_____

Please complete the following questions:

1. How many miles (round trip) is it from your residence to the Eric Rood Administrative Center? _____
2. Are you now or have you ever been involved in litigation against Nevada County or any local public agency? _____
3. Rank your skill level with a computer (1 = poor, 5 = expert). _____
4. Indicate your age range: 18-25 ___ 26-34 ___ 35-44 ___ 45-54 ___ 55-64 ___ 65-74 ___ 75+ ___
5. State your level of education: _____
6. Indicate your gender: Female _____ Male _____
7. How many years, if any, have you previously served on a Grand Jury? _____

Please explain:

1. Your experience with community organizations or public agencies and the length and nature of that experience.

2. Describe any previous research or investigative experience.

3. Describe any issues you might have investigating any local county or city governmental department or private or non-profit agency.

4. What do you think are some of the major problems facing city and county government?

5. An appointment to the Nevada County Grand Jury generally demands attendance at Grand Jury meetings, as assignment and regular attendance to two committees, and extensive investigative duties. If appointed, how many hours each week can you devote to these responsibilities?

6. Describe any physical or sensory impairments (vision, hearing, etc.) you have.

7. Why would you like to serve on the Grand Jury?

8. Have you or your spouse ever been employed by a governmental body or agency and, if so, in what capacity?

9. Describe any special skills or knowledge you have about any of the following subjects:

Computers and IT	_____
Finance & Accounting	_____
Management	_____
Interviewing	_____
Research	_____
Writing & Editing	_____
Law Enforcement	_____
Teaching	_____

Pursuant to Penal Code Section 903.2, I understand that if my name is drawn as a Grand Juror or alternate, I may be required to attend grand jury training; if I am seated as a Grand Juror, I will be available to attend grand jury meetings and devote the required time to complete Grand Jury work for one year, from July through June. I further understand that if my name is drawn as an alternate, I will remain available for one year to serve as a member of the Grand Jury if called upon.

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

Signature

Date

Nevada County Grand Jury
Eric Rood Administrative Center
950 Maidu Avenue
Nevada City, California 95959

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**GRAND JURY
COUNTY OF NEVADA
Eric Rood Administration Center**
950 Maidu Avenue
Nevada City, California 95959
Phone: 530-265-1730
Email: grandjury@nccourt.net