



# City of Gridley

685 Kentucky Street

Gridley, CA 95948

August 16, 2016

Honorable Presiding Judge Robert A. Glusman  
Butte County Superior Court  
One Court Street  
Oroville, CA 95965

FILED  
Superior Court of California  
County of Butte  
AUG 22 2016  
By Kimberly Fleener, Clerk Deputy

Greetings Honorable Judge Glusman;

The City of Gridley values the important role and responsibilities of the Butte County Grand Jury. The Gridley City Council has reviewed the 2015-2016 Grand Jury Report in depth. The City Council has authorized this letter to be sent to the Grand Jury in attempt to respectfully provide responses to the findings and recommendations regarding 1.) Animal Shelters concerns throughout Butte County; and 2.) Unfunded Pension Liabilities and the Government Accounting Standards Board (GASB) and 3.) overall concerns regarding Homelessness in Butte County.

Butte County Grand Jury Findings associated with GASB:

F1 - Calculation of the unfunded liability is complex and unique to each municipality.  
Response: The City of Gridley agrees.

F2 – The five Cities in Butte County and the County itself have unfunded liabilities primarily due to CalPERS pension costs.  
Response: The City of Gridley agrees.

F3 - Additional unfunded liabilities exist for retiree health care, but these are not yet on the balance sheets.  
Response: The City of Gridley agrees. It is important to note that any unfunded liabilities which exist for retiree health care are described in the OPEB (Other Post-Employment Benefits) portion of the annual CAFR (Comprehensive Annual Financial Report).

F4 - Increases in a governmental entity's unfunded liability would impact its financial status and credit rating.  
Response: The City of Gridley agrees in principle. The significance of the impact would depend upon the amount of the increase in unfunded liability, and the proportionality to revenues. An increase in a governmental entity's unfunded liability could have a material impact to its financial status and credit rating.

F5 - Municipal contributions to CalPERS are projected to continue to rise which will result in pressure to cut services and/or require additional revenue.  
Response: The City of Gridley agrees. It's important to note again that the amount of the rise and its size relative to available sources of funding varies widely among Butte County agencies. A review of a three years of CalPERS annual valuation reports of various entities within Butte County reveals a very wide variety of CalPERS employer contribution rates, and a dramatic difference in the rate of rise in those employer contribution rates.

F6 - The unfunded liability is likely to increase for many years before it begins to decrease.

Response: The City of Gridley agrees.

The following information describes the Butte County Grand Jury Recommendations and the City of Gridley responses.

R1 - The County and Cities should post their CAFR and CalPERS Actuarial Valuations Reports on their websites.

Response: Implemented. The City of Gridley's 2014-15 CAFR is posted on the City website. CalPERS Annual Valuation Reports have been easily accessed from the CalPERS website for many years. The past three years of CalPERS Annual Valuation Reports have been added to the City of Gridley website.

R2 - The County and Cities should report on their unfunded liabilities, contribution rates and trend lines.

Response: Implemented. The City of Gridley has posted the past 3 years of CalPERS Annual Valuation Reports on its website.

R3 - The County and Cities should conduct an analysis similar to the Bartel Report and make that information available to the public on their websites.

Response: The Gridley City Council and City staff plan to appeal to the other cities within Butte County to collaborate to develop an economical solution to funding such a study.

Butte County Animal Shelters:

F4 – This shelter's dog run is small compared to others and may not provide adequate exercise or play time for larger dogs, or small groups of dogs who might socialize well.

Response: The City agrees in principle. The City is concerned about the well-being of all animals kept at the Gridley Animal Shelter. Dogs are housed for a short period of time at the City facility and are placed for adoption or returned to the respective owner(s) in a relatively short time. From past experience, the outdoor kennel or dog run provides adequate exercise and outdoor play time for dogs housed at the facility. When needed, dogs are taken for walks as appropriate to ensure their well-being.

R2 – Gridley/Biggs: The Grand Jury recommends that the joint communities provide a larger dog run to accommodate larger dogs, provide more space for exercise and play, and allow for small groups of well-socialized dogs to interact.

Response: The City will explore the existing dog run space available, the cost of a larger dog run and adding a shade structure in the 2017/2018 budget process.

Butte County Homelessness:

R3: Local law enforcement agencies should explore more accurate ways to track dispatch calls involving homeless people, so the economic impact of the law enforcement effort can be determined.

Response: The City agrees with the recommendation. The City will have the Gridley-Biggs Police Department administration inquire with its Computer Aided Dispatch (CAD) software vendor, if a software solution to track the homeless, displaced and transient law enforcement incidents is feasible.

The Gridley City Council and City staff want to again express our sincere appreciation for the exemplary commitment and quality work of the Butte County Grand Jury. The City of Gridley is very committed to providing the most efficient, cost effective City services while adhering to the highest possible standards. Consequently, we value the opportunity to respond to any observations and concerns of the Grand Jury.

Please let me or our City Administrator know if we can provide additional information or if we be of any assistance.

Sincerely



Frank Hall  
Mayor

Copy   City Council  
          City Administrator  
          City Attorney  
          City Finance Director