

ROSS VALLEY SCHOOL DISTRICT

110 Shaw Drive, San Anselmo, CA 94960 | Phone: 415.454.2162 | Fax: 415.454.6840 | www.rossvalleyschools.org

Superintendent: Dr. Rick E. Bagley | Board of Trustees: Annelise Bauer • Anne Capron • Wesley Pratt • Mark Reagan • Amy Stock

August 17, 2017

The Honorable Kelly V. Simmons
Marin County Superior Court
P.O. Box 4988
San Rafael, CA 94913-4988

Jay Hamilton-Roth, Foreperson
Marin County Civil Grand Jury
3501 Civic Center Drive, Room #275
San Rafael, CA 94903

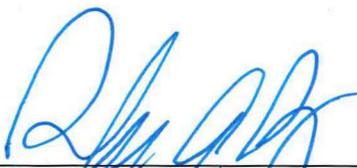
Dear Judge Simmons and Mr. Hamilton-Roth:

Attached please find the response requested by the 2016-2017 Marin County Civil Grand Jury from the Ross Valley School District Board to the recommendations (1 through 9) from the report "Marin's Retirement Health Care Benefits, The Money Still Isn't There".

Thank you for your continued interest in and support of our public schools.

Sincerely,


board clerk for Anne Capron
Anne Capron, President board President
Ross Valley District Board of Trustees


Rick E. Bagley, Ed.D., Superintendent
Ross Valley School District

FUNDING OTHER POST EMPLOYMENT BENEFITS

Recommendation #1 : Each agency should adopt a *formal, written policy* for contributions to its Other Post-Employment Benefits (OPEB) plan.

The recommendation has not yet been implemented. The District will adopt a Board Policy for contributions to its OPEB plan at our school board meeting no later than February 15, 2018. However, in order for employees to be eligible for OPEB, the employee must have 40 years within the District and is currently memorialized within our existing collective bargaining agreements with staff. No new participants have been added since this went into effect in 2010.

Since access to RVSD OPEB is set at 40 years within the District as noted above, it will be extremely rare that future OPEB will be recognized. Therefore, the existing OPEB liability will continue to decline. As such, since the liability is not that large, the contributions are provided on a 'pay-as-you-go' basis and built into the budget and subsequent multi-year projections. This plan is further iterated in the notes to the financial statements published with the District's annual audit.

Recommendation #2: Each agency's standard practice should be to consistently satisfy its formal, written OPEB contribution policy.

The District has been following the 'pay-as-you-go' methodology for many years, therefore we feel the recommendation has been implemented and the policy, when adopted as noted above, will indicate the 'pay-as-you-go' basis.

Recommendation #3: Each agency's OPEB contribution policy and practice should support a projection under GASB 75 that its OPEB plan assets will be sufficient to make all projected OPEB benefit payments.

The recommendation will not be implemented because, as noted above, participation is only declining and not likely to have any new participants based on the 40 year requirement to be eligible.

Recommendation #4: Each agency that uses special reserve funds for Postemployment Benefits should transition to a trust meeting the criteria of GASB 75.

Since the district projects a stable or declining 'pay-as-you-go' cost, there is no generational shifting of the payment responsibility in not having a dedicated trust. Therefore, the District does not plan to establish and fund a trust for this purpose.

FINANCIAL LITERACY, TRANSPARENCY and COMMUNICATION

Recommendation #5: Each term of service, elected or appointed officials of each agency should take a public agency financial class.

Ross Valley School District Responses
to the 2016-17 Marin County Civil Grand Jury Report
Marin's Retirement Health Care Benefits, The Money Still Isn't There

The recommendation has been implemented. Each of the District's board members has participated in the Masters in Governance program facilitated by the California School Boards Association.

Recommendation #6: Each agency should make its CAFRs, Audits, and GASB valuations more readily understandable by the general public.

The recommendation has been implemented. The format and content of the annual audit is prescribed by standards set by the American Institute of Certified Public Accountants in accordance with generally accepted accounting principles (GAAP) set by the Governmental Accounting Standards Board (GASB). The report includes a Management Discussion and Analysis section where we provide information regarding our OPEB obligation and funding plan. Footnotes to the financial statements also provide significant supporting information that address our policies and practices with respect to OPEB. We also address OPEB in narratives to our school board and community that accompany budget reports that are provided three times each year. Staff attends Board Meetings to answer any questions regarding the financial information presented.

Similarly, the OPEB actuarial study report is prepared in accordance with standards set by outside bodies. We present these reports to our boards and community, along with a narrative that describes the substance of the report and its implications for our Districts financial plan to fund our OPEB obligation.

Recommendation #7: Each agency should ensure that all of its public financial *presentations* are more readily understandable and scheduled during hours convenient for the public.

The recommendation has been implemented. Our school board meetings are held in the evening, which provides opportunity for community members to attend and participate in discussions regarding any financial presentations. Our presentations are crafted towards the relative financial sophistication of all audience members, and staff is available at the meetings to answer questions.

Recommendation #8 – Each agency should have the following downloadable and text-searchable documents readily accessible on their website: the last five years of CAFRs/Audits and the last three actuarial reports.

The recommendation has been implemented. All audit and actuarial reports are loaded and available for viewing on our website at:

<http://rossvalleyschools.org/departments/bus-office/financial-info>

NEGOTIATIONS TO REDUCE OPEB OBLIGATIONS

Recommendation #9 – Before the next round of bargaining begins, each agency should prioritize the cost containment strategies to be used, including reducing or eliminating OPEB benefits for future employees.

The recommendation has been implemented in effect since July 1, 2010, and as noted above in Recommendation #1, participation is declining and it is not probable that there will be many future retirees meeting the 40 year requirement for this benefit.