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FOR IMMEDIATE RELEASE

The **2014-2015** Humboldt County Grand Jury has issued a report entitled:

The Headwaters Fund Charter

After a careful analysis of the Headwaters Fund Charter, the current Headwaters Fund investment portfolio and interviews with relevant community representatives, the Humboldt County Grand Jury comes to the following conclusions:

- 1) The Headwaters Fund Charter clearly mandates that the Headwaters Fund Board draft a charter review every three years and the public will have an opportunity to have input in the drafting of that review. From the last paragraph of the Headwaters Fund Charter—“The public and participants in Fund activities will be given an opportunity to provide comment and participate in the drafting of the review.” The Humboldt County Grand Jury finds no evidence to support, that since 2002 any such public input has ever occurred or any drafting of a charter review.
- 2) The Headwaters Fund Charter is currently set up to support and mandate that funds work in the community “in perpetuity.” From the Headwaters Fund Charter—“Keep the funds working in the community in perpetuity.” The Humboldt County Grand Jury finds the current Headwaters Fund investment portfolio, managed and invested by the Humboldt County Treasurer to be inconsistent with the Charters mandated “in perpetuity.”
- 3) Volunteers and one part time staff position currently manage the Headwaters Fund. Humboldt County governance currently restricts the Headwaters Fund investment portfolio. The Humboldt Area Foundation is a local, professionally staffed, nonprofit funding/granting organization that currently manages over 100 million dollars and is not limited by the same restrictions. The Humboldt County Grand Jury recommends, for oversight, management and investment reasons, that the Board of Supervisors (BOS) amend the Headwaters Fund Charter to allow the transfer of their investment portfolio to the Humboldt Area Foundation.

The consequent increase in charter oversight, public input and less restrictive investment options would serve the citizens of Humboldt County and would truly “keep the funds working in the community in perpetuity.” The Headwaters Fund Charter Board has done an admirable job given the conditions and restrictions under which they have worked. The Humboldt County Grand Jury also recognizes the disciplined and restricted work of the Humboldt County Treasurer for his oversight of the Headwaters Fund Investment portfolio.

Should you decide to publically comment upon the report of the grand jury, it would be appreciated if you would include within your comment the fact that the full report may be viewed by the public on the Humboldt County Grand Jury website:

www.humboldt.gov/510/Grand-Jury

Very truly yours,

Sam (Sara) Giannandrea,
Foreperson
Humboldt County Grand Jury