

## **COUNTY OF SISKIYOU STAFF REPORT**

MEETING DATE: November 14, 2023  
TO: Siskiyou County Board of Supervisors  
FROM: Elizabeth Nielsen, Deputy County Administrator  
SUBJECT: County of Siskiyou Gold History and Display

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### **BACKGROUND AND DISCUSSION**

Siskiyou County's history is steeped heavily in the mining of gold after it was discovered in early 1851 along the Klamath River. This discovery led to the formation of the Happy Camp Mining District and attracted thousands of miners to the region. Miners employed a variety of techniques to extract gold, which evolved with new methods and technologies. Over the succeeding several decades following the discovery along the Klamath River, it is estimated that \$55 million worth of gold was extracted in Siskiyou County.

To preserve our rich gold history, the County purchased some pieces of gold discovered throughout the County, including "The Shoe", a 28.01-ounce gold nugget in 1913 for \$550. However, much of the County's former gold inventory was donated by several individuals and groups, including a pocket watch donated by Virgil Nesbit. This inventory was once known as one of the largest gold displays in the United States and was featured during the 1938 World's Fair in San Francisco. For several decades, the County displayed its gold near the entrance of the former Siskiyou County Courthouse. The gold display included a variety of sizes and quality of gold, varying from dust and flakes to nuggets and jewelry, and totaled approximately 625 ounces.

During the early hours of February 1, 2012, burglars broke into the former Siskiyou County Courthouse and breached the gold display case and stole approximately 321 ounces of the County's total 625 ounces of gold inventory. The items stolen included larger gold nuggets (including "the shoe" a 28-ounce gold nugget), a ring, cufflinks, a necklace, bracelets, and a yellow gold pocket watch. Following the theft, County staff removed the remaining gold from display and moved it to a secure and confidential location. The gold that was stolen was the most valuable, interesting, and beautiful pieces of gold, leaving behind smaller nuggets, flakes, and rocks with small gold veins or gold flecks.

To recover the value of the stolen gold through insurance, Siskiyou County contracted for an appraisal of the gold and additionally contracted for a peer review report of the appraisal. The final proof of loss totaled \$1.17 million for the stolen gold. In late 2012, the County received two insurance disbursements, one for \$1.08 million, and one for \$90 thousand, for a total of \$1.17 million. Following receipt of these funds, \$26,000 was transferred to County Risk/Liability for appraisal reimbursements, and \$50,000 was transferred to the Gold Theft Reward committed account. The \$50,000 transferred for reward has subsequently been absorbed by the County

General Fund. In 2014, \$10,000 was used as a contribution to Family Resource Centers in Siskiyou County, and \$20,000 was used to purchase books. Lastly, in 2018, following Board approval on December 17, 2017, \$1,064,194 was transferred to the County's Zero Cost Center to pay down Pension and OPEB (Other Post-Employment Benefits) Liability.

Over the years, individuals and local groups have requested that the County's remaining gold inventory be re-displayed for public viewing. Currently, the County does not have a secure location to display the gold. The Siskiyou County Courthouse moved to a new location in 2021, and the old courthouse building is now the Government Center. The Government Center houses County Departments and although it is open to the public during normal business hours, the building is not equipped to display the remaining gold. Following a request from the Friends of the Siskiyou County Museum to display the gold at the new County Courthouse, County staff reached out to Court Administration. Unfortunately, per Court Administration, their location is not an option due to the building being State-owned and the State is not able to display the gold due to liability concerns.

## **CONCLUSION**

We appreciate the interest expressed by members of the public and Siskiyou County history enthusiasts, and we also appreciate the opportunity to provide this update to the Board. Based on the reasonings detailed above, and the fact that the County does not have the resources to display the remaining gold in a fully secure manner, staff does not recommend that the County display the remaining gold inventory within a County owned building.