



CALIFORNIA
Counties

**2015 LEGISLATIVE
CONFERENCE**

CSAC BOARD OF DIRECTORS

BRIEFING MATERIALS

Thursday, May 28, 2015

12:15 p.m. 4:00 p.m.



Meeting Location:

Capitol Event Center (formerly CSAC Conference Center)

Sacramento, County

CALIFORNIA STATE ASSOCIATION OF COUNTIES

CALIFORNIA STATE ASSOCIATION OF COUNTIES
BOARD OF DIRECTORS
Thursday, May 28, 2015
12:15pm - 4:00pm
Capitol Event Center (formerly CSAC Conference Center)
1020 - 11th St., 2nd floor, Sacramento, CA

A G E N D A

Agenda times are approximate. Matters may be considered earlier than published time.

Presiding: Vito Chiesa, President

12:15pm **BUFFET LUNCH**

12:45pm **PROCEDURAL ITEMS**

1. Roll Call Page 1

2. Approval of Minutes of February 19, 2015 Page 3

- 1:00pm **SPECIAL PRESENTATIONS**
3. CSAC Corporate Partner Remarks Page 7
 - *Jim Holobaugh, Sr. Vice Pres., Alliant Insurance Services*
 - *Peter Rumble, CEO, California Clean Power*

4. Governor's May Revision of the 2015-16 State Budget
 - *Michael Cohen, Director, State Department of Finance*
 - *Diane Cummins, Special Advisor to the Governor*

5. CSAC Report on the Governor's May Revision handout
 - *DeAnn Baker & CSAC Advocacy staff*

6. CSAC Finance Corporation Report handout
 - *Nancy Parrish, Finance Corp. Executive Director*
 - *Matt Cate, CSAC Executive Director*

- 2:00pm **ACTION ITEMS**
7. CSAC Policy Committee Reports Page 8
 - Housing, Land Use & Transportation
 - *Supervisor Phil Serna, Chair*
 - *Kiana Buss, CSAC staff*

 - Health & Human Services
 - *Supervisor Ken Yeager, Chair*
 - *Farrah McDaid Ting, CSAC staff*

 - Government Finance & Operations
 - *Supervisor Henry Perea, Chair*
 - *Dorothy Holzem & Faith Conley, CSAC staff*

 - Agriculture, Environment & Natural Resources
 - *Supervisor Diane Dillon, Chair*
 - *Karen Keene & Cara Martinson, CSAC staff*

 - Administration of Justice
 - *Supervisor John Viegas, Chair*
 - *Darby Kernan, CSAC staff*

2:30pm **ACTION ITEMS (cont.)**

8. Consideration of Proposed CSAC Budget for FY 2015-16 Page 13
- *Matt Cate, CSAC Executive Director*
 - *Supervisor Judy Morris, CSAC Treasurer*
9. Consideration of Commercial Sexual Exploitation of Children Resolution Page 20
- *Farrah McDaid-Tine & Darby Kernan, CSAC staff*
10. Consideration of Poverty Working Group Platform Language Page 27
- *Supervisors Lee Adams, Kathy Long & Leticia Perez, Co-chairs*

3:00pm **DISCUSSION ITEM**

11. CSAC Strategic Plan Update Page 30
- *Matt Cate, CSAC Executive Director*
 - *Graham Knaus, CSAC staff*

3:30pm **INFORMATION ITEMS**

12. Medical Marijuana Working Group Report Page 33
- *Supervisor Mark Lovelace, Co-chair*
 - *Supervisor Bruce McPherson, Co-chair*
13. Institute for Local Government (ILG) Report Page 38
- *Steve Sanders, Program Director, ILG*
14. Informational Reports without Presentation Page 45
- ❖ CSAC Litigation Coordination Program Report
 - ❖ CSAC Corporate Partners Update
 - ❖ IRS Form 990
15. Other Items

4:00pm **ADJOURN**

CALIFORNIA STATE ASSOCIATION OF COUNTIES

Board of Directors

2015

<u>Section</u>	<u>County</u>	<u>Director</u>
U	Alameda County	Keith Carson
R	Alpine County	Terry Woodrow
R	Amador County	Louis Boitano
S	Butte County	Maureen Kirk
R	Calaveras County	Michael Oliveira
R	Colusa County	Kim Dolbow Vann
U	Contra Costa County	Federal Glover
R	Del Norte County	David Finigan
R	El Dorado County	Ron Mikulaco
S	Fresno County	Henry Perea
R	Glenn County	John Viegas
R	Humboldt County	Virginia Bass
S	Imperial County	Ryan Kelley
R	Inyo County	Jeff Griffiths
S	Kern County	Leticia Perez
R	Kings County	Doug Verboon
R	Lake County	Anthony Farrington
R	Lassen County	Jim Chapman
U	Los Angeles County	Don Knabe
R	Madera County	Tom Wheeler
S	Marin County	Damon Connolly
R	Mariposa County	John Carrier
R	Mendocino County	Carre Brown
S	Merced County	Hubert "Hub" Walsh
R	Modoc County	Jim Wills
R	Mono County	Larry Johnston
S	Monterey County	Fernando Armenta
S	Napa County	Diane Dillon
R	Nevada County	Ed Scofield
U	Orange County	Lisa Bartlett
S	Placer County	Jim Holmes
R	Plumas County	Terry Swofford
U	Riverside County	John Benoit

U	Sacramento County	Susan Peters
R	San Benito County	Margie Barrios
U	San Bernardino County	James Ramos
U	San Diego County	Greg Cox
U	San Francisco City & County	vacant
S	San Joaquin County	Bob Elliott
S	San Luis Obispo County	Bruce Gibson
U	San Mateo County	Carole Groom
S	Santa Barbara County	Doreen Farr
U	Santa Clara County	Ken Yeager
S	Santa Cruz County	Bruce McPherson
S	Shasta County	Leonard Moty
R	Sierra County	Lee Adams
R	Siskiyou County	Ed Valenzuela
S	Solano County	Linda Seifert
S	Sonoma County	Efren Carrillo
S	Stanislaus County	Vito Chiesa
R	Sutter County	Larry Munger
R	Tehama County	Robert Williams
R	Trinity County	Judy Morris
S	Tulare County	Steve Worthley
R	Tuolumne County	Evan Royce
U	Ventura County	Kathy Long
S	Yolo County	Jim Provenza
R	Yuba County	Roger Abe

President: Vito Chiesa, Stanislaus
 First Vice President: Richard Forster, Amador
 Second Vice President: Dave Roberts, San Diego
 Immed. Past President: John Gioia, Contra Costa

SECTION: U=Urban S=Suburban R=Rural

CALIFORNIA STATE ASSOCIATION OF COUNTIES
 BOARD OF DIRECTORS
 February 19, 2015
 CSAC Conference Center, Sacramento

M I N U T E S

Presiding: Vito Chiesa, President

1. ROLL CALL

Alameda	Keith Carson	Placer	absent
Alpine	Terry Woodrow	Plumas	Terry Swofford (audio)
Amador	Forster/Boitano	Riverside	absent
Butte	Maureen Kirk	Sacramento	Susan Peters
Calaveras	Michael Oliveira	San Benito	Margie Barrios (audio)
Colusa	Kim Dolbow Vann	San Bernardino	James Ramos (audio)
Contra Costa	Federal Glover (audio)	San Diego	Roberts/Cox
Del Norte	David Finigan	San Francisco	vacant
El Dorado	absent	San Joaquin	Bob Elliott (audio)
Fresno	Henry Perea	San Luis Obispo	Bruce Gibson (audio)
Glenn	John Viegas (audio)	San Mateo	absent
Humboldt	Virginia Bass (audio)	Santa Barbara	Doreen Farr (audio)
Imperial	absent	Santa Clara	Ken Yeager
Inyo	Jeff Griffiths (audio)	Santa Cruz	Bruce McPherson
Kern	absent	Shasta	Leonard Moty (audio)
Kings	Doug Verboon (audio)	Sierra	Lee Adams (audio)
Lake	Anthony Farrington (audio)	Siskiyou	Ed Valenzuela
Lassen	absent	Solano	Linda Seifert
Los Angeles	absent	Sonoma	Efren Carrillo
Madera	absent	Stanislaus	Vito Chiesa
Marin	Damon Connolly	Sutter	Larry Munger
Mariposa	John Carrier	Tehama	Robert Williams
Mendocino	Carre Brown (audio)	Trinity	Judy Morris (audio)
Merced	Hubert "Hub" Walsh (audio)	Tulare	Steve Worthley
Modoc	Jim Wills (audio)	Tuolumne	Evan Royce
Mono	Stacy Corless (audio)	Ventura	absent
Monterey	Fernando Armenta (audio)	Yolo	Jim Provenza
Napa	Diane Dillon (audio)	Yuba	Roger Abe
Nevada	Ed Scofield	Advisors: Rick Haffey and Charles McKee	
Orange	Lisa Bartlett (audio)		

The presence of a quorum was noted.

2. APPROVAL OF MINUTES

The minutes of November 20, 2014 were corrected to reflect that Supervisor Roger Abe was not in attendance.

Motion and second to approve minutes of November 20, 2104 as corrected. Motion carried unanimously.

3. PRESENTATION OF DISTINGUISHED SERVICE AWARDS

Senator Lois Wolk received the 2014 CSAC Distinguished Service Award for her role as key negotiator during the water bond negotiations and helped ensure that protections for Delta communities and funding for levee improvements, water supplies and ecosystem restoration was included.

Assemblyman Rich Gordon received the 2014 CSAC Distinguished Service Award for authoring legislation to direct cap and trade revenue towards local governments to fund greenhouse gas reduction projects at the local level. He also continues to highlight the importance of climate adaptation and preparedness as chair of the Assembly Select Committee on Sea Level Rise.

President Chiesa presented both awards during the Board of Directors meeting since neither recipient was able to attend the 2014 CSAC annual meeting.

4. COPORATE PARTNER PRESENTATION

Brianna Lierman with California Health & Wellness, addressed the Board of Directors regarding services they provide to counties. They are a Medi-Cal plan established in 2013 and serve Medi-Cal beneficiaries in 19 counties, primarily rural. They administer most Medi-Cal benefits and offer a variety of education, outreach and care coordination programs.

5. REPORT ON GOVERNOR'S BUDGET FOR 2015-16

Michael Cohen, Director of State Department of Finance and Diane Cummins, Special Advisor to the Governor, provided an overview of the Governor's proposed budget for 2015-16. The majority of funds will go to K-12 schools. Implementing Propositions 1 and 2, the water bond and rainy day fund initiatives, is a major component of the budget. Also included is \$533m in accelerated pre-2004 mandate repayment, \$150m for Medi-Cal county administrative costs, \$10m to fund county fair operations. The budget also includes a proposal to reduce state costs for retiree health benefits. Details of the Governor's proposed budget were also contained in the January 9, edition of the CSAC Budget Action Bulletin.

6. STATE BUDGET CHALLENGES AND OPPORTUNITIES

As directed by the Executive Committee at its January meeting, staff presented a report regarding the pressing need for additional funding for the maintenance and preservation of the existing state and local transportation system. The presentation included a forecast and options for new revenue. Some short-term solutions proposed are: Increase the base gas tax; increase vehicle license fee; increase vehicle registration fee; redirect weight fees back to transportation; and reduce the voter threshold for local sales tax measures. Additional details were contained in the briefing materials.

As directed by President Chiesa, CSAC has created a Poverty Working Group, which will be co-chaired by Supervisors Kathy Long, Leticia Perez and Lee Adams. Staff asked for volunteers to serve on the working group. The first meeting will be held in early March.

7. STATE AND FEDERAL LEGISLATIVE PRIORITIES FOR 2015

Staff presented draft CSAC State and Federal Legislative Priorities for 2015 as contained in the briefing materials. The CSAC Executive Committee previously considered the priorities and recommended approval by the Board of Directors.

Motion and second to approve the CSAC State and Federal Legislative Priorities for 2015, with the caveat that CSAC will consider proposals from the various policy committees throughout the year. Motion carried unanimously.

8. AMENDMENTS TO CSAC COUNTY PLATFORM

Administration of Justice. Supervisor Keith Carson, Vice-chair of the CSAC Administration of Justice policy committee, indicated that the committee would be looking at several issues during the year, including Proposition 47, housing for re-entry population, and striker credit earnings, among other things. Proposed amendments to Chapter Two of the CSAC County Platform were presented as contained in the briefing materials.

Motion and second to adopt proposed amendments to Chapter Two of the CSAC County Platform as presented. Motion carried unanimously.

Agriculture, Environment & Natural Resources. Supervisor Diane Dillon, Chair of the CSAC Agriculture, Environment & Natural Resources policy committee, presented proposed amendments to Chapters Three and Fourteen of the CSAC County Platform as contained in the briefing materials.

Motion and second to adopt proposed amendments to Chapters Three and Fourteen of the CSAC County Platform as presented. Motion carried unanimously.

Health & Human Services. Supervisor Ken Yeager, Chair of the CSAC Health & Human Services policy committee, presented proposed changes to Chapters Six and Twelve of the CSAC County Platform as contained in the briefing materials.

Motion and second to adopt proposed changes to Chapters Six and Twelve of the CSAC County Platform as presented. Motion carried unanimously.

Housing, Land Use & Transportation. In addition to proposed amendments to Chapters Seven, Eleven and Sixteen contained in the briefing materials, additional language related to tribal-gaming compacts was distributed.

Motion and second to adopt proposed amendments to Chapters Seven, Eleven and Sixteen as contained in the briefing materials and distributed. Motion carried unanimously.

9. STRATEGIC PLANNING UPDATE

Matt Cate indicated the CSAC strategic planning process will begin in four to six weeks and encouraged Board members to get involved in the process.

10. SECTION 115 MEDICAID WAIVER UPDATE

California's existing Medicaid Section 1115 "Bridge to Reform" waiver expires in October 2015. The Department of Health Services (DHCS) has begun work on developing a five-year extension. CSAC has been convening county affiliate stakeholders to discuss content, strategy and fiscal issues. A detailed memo including an update on the process to renew the waiver, background on major components of the waiver, update on the work groups that DHCS created to assist with waiver development, and an overview of the DHCS financial proposal, was contained in the briefing materials.

11. "HOW TO GET INVOLVED IN CSAC" VIDEO

CSAC recently produced a video featuring President Chiesa discussing ways that counties can become more involved in CSAC. The video was shown to the Board of Directors.

12. INFORMATION REPORTS

The following informational reports were contained in the briefing materials: CSAC Corporate Partnership Update, CSAC Finance Corporation Update, Institute for Local Government (ILG) Update, and CSAC Litigation Coordination Program Update.

13. OTHER ITEMS

President Chiesa announced that he and Matt Cate recently visited Father Boyle and Homeboy Industries to present a donation for his presentation during the CSAC annual meeting.

Matt Cate announced that former CSAC employee Jean Jordan was recently hired as the Sutter County Counsel.

Meeting adjourned to closed session.

Alliant Insurance Services, Inc.

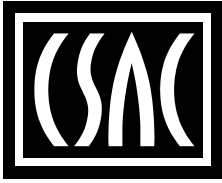
Alliant is the largest independent insurance brokerage headquartered in California. Alliant currently works with 57 counties in California and is the exclusive broker for the CSAC Excess Insurance Authority. What sets Alliant apart in the public sector is our specialized expertise with more than 35 years of experience in meeting the unique needs of the California counties—and over \$1 billion in premiums and premium equivalents placed for public entities—we understand how these organizations are perceived within the insurance marketplace and how the operating environment of the counties shapes their risk transfer approach and requirements. Using this understanding, Alliant has developed advantaged programs for all lines of insurance coverage, which have saved California counties millions of dollars on an annual basis. The most recent program developed is the Master Rolling Owner Controlled Insurance Program (MROCIP), launched on January 1, 2013. MROCIP provides an extremely cost effective and efficient method of managing the liability and workers' compensation exposure associated with county construction projects. Numerous CSAC Counties are already deriving the benefits of this program, and it is available to all counties in the state. Alliant is excited to be a Premier Partner with CSAC and we look forward to our continued business relationships with California Counties.

Jim Holobaugh, SVP, Alliant Construction Services Group
1301 Dove St. Suite 200
Newport Beach, CA 92660
(949) 660-8110
narshi@alliant.com
www.alliant.com

California Clean Power

California Clean Power is a public benefit company that partners with cities and counties to implement their own customized local community choice aggregation (CCA) program. In California, any city or a county has the legal right to an alternative provider to their local utility, and can even choose up to 100% clean power for its community. By partnering with California Clean Power, communities can locally control their energy needs, increase their use of renewable power, bring substantial electricity bill savings for its residents and businesses, and drive local economic development. We can help counties, JPAs, or even small cities to independently set up their own Community Choice program within a few months. California Clean Power is the only full-service provider in the state that guarantees economic and environmental benefits to a community. Visit us at www.californiacommunitychoice.com or follow us on Twitter @CalifCleanPower.

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Housing, Land Use & Transportation Policy Committee
2015 CSAC Legislative Conference
Thursday, May 28, 2015 ■ 8:30 a.m. to 10:00 a.m.
Sheraton Grand Sacramento ■ Gardenia Ballroom ■ Ballroom Level
Sacramento ■ California

AGENDA

Chair, Supervisor, Phil Serna, Sacramento County
Vice Chair, Supervisor David Rabbitt, Sonoma County

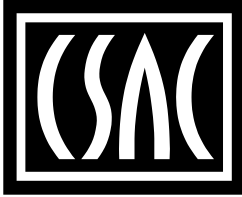
- 8:30 a.m. I. **Welcome, Introductions & Approval of the Agenda**
Chair, Supervisor, Phil Serna, Sacramento County
Vice Chair, Supervisor David Rabbitt, Sonoma County
- 8:35 a.m. II. **State Affordable Housing Legislation**
Zachary Olmstead, Office of Assembly Speaker Toni Atkins
Kiana Buss, Legislative Representative
Chris Lee, Legislative Analyst
- 8:45 a.m. III. **New Transportation Technology: Contra Costa Transportation Authority
GoMentum Station**
Jack Hall, Contra Costa Transportation Authority
- 9:00 a.m. IV. **Tribal Intergovernmental Issues Update**
Supervisor David Rabbitt, Sonoma County
Supervisor Diane Dillon, Napa County
- 9:20 a.m. V. **Update on Activities of the California Transportation Commission's Road User
Charge Technical Advisory Committee**
Supervisor David Finigan, Del Norte County
- 9:40 a.m. VI. **Federal Transportation Reauthorization**
Kiana Buss, Legislative Representative
Chris Lee, Legislative Analyst
- 9:50 a.m. VII. **Legislative and Budget Update**
Kiana Buss, Legislative Representative
Chris Lee, Legislative Analyst
- 10:00 a.m. VIII. **Adjournment**



Government Finance and Operations Policy Committee
CSAC Legislative Conference
Thursday, May 28, 2015 — 8:30 a.m. – 10:00 a.m.
Sheraton Grand Sacramento, Camellia Ballroom
Sacramento County, California

Supervisor Henry Perea, Fresno County, Chair
Supervisor Erin Hannigan, Solano County, Vice Chair

- 8:30 am **I. Welcome and Introductions**
Supervisor Henry Perea, Fresno County, Chair
Supervisor Erin Hannigan, Solano County, Vice Chair
- 8:35 **II. State Budget Update**
Brian Uhler, Senior Fiscal & Policy Analyst, Legislative Analyst's Office
- 8:55 **III. Paid Sick Leave Update**
Gage Dungy, Partner, Liebert Cassidy Whitmore
- 9:10 **IV. Open Data Implementation and Options**
Nicole Neditch, Fellowship Director, Code for America
- 9:30 **V. What to Expect from 2015 Tax Reform Efforts**
Chris Hoene, Executive Director, California Budget and Policy Center
- 9:50 **VI. Legislative Update**
Committee Staff
- 10:00 **VII. Closing Comments and Adjournment**
Supervisor Henry Perea, Fresno County, Chair
Supervisor Erin Hannigan, Solano County, Vice Chair



Agriculture, Environment & Natural Resources Policy Committee

Thursday, May 28, 2015 · 10:15 a.m. – 11:45 p.m.

CSAC Legislative Conference, Sacramento Sheraton, Camellia Room

****AGENDA****

Supervisor Diane Dillon, Napa County, Chair
Supervisor Pam Giacomini, Shasta County, Vice-Chair

- 10:15 a.m. **I. Welcome and Introductions**
Supervisor Diane Dillon, Napa County, Chair
Supervisor Pam Giacomini, Shasta County, Vice-Chair
- 10:15 – 10:35 **II. Focus on the Drought: California's Agriculture**
Paul Wenger, President, California Farm Bureau Federation
- 10:35 – 10:50 **III. Sustainable Groundwater Management Act Implementation**
David Bolland, Special Projects Manager, Association of
California Water Agencies (ACWA)
- 10:50 – 11:10 **IV. The State of the Sierra Nevada Forests**
Jim Branham, Executive Officer, Sierra Nevada Conservancy
- 11:10 – 11:30 **V. Southern California Drought Management Plan**
Deven Upadabay, Group Manager, Water Resources,
Metropolitan Water District
- 11:30 – 11:45 **VI. AENR Legislative & Budget Priorities UPDATE**
 - Stormwater Funding/Proposition 218
 - Cap and Trade
 - Rural Initiative: PILT-FAIRS-CLIMATE*Karen Keene, CSAC Senior Legislative Representative*
Cara Martinson, CSAC Legislative Representative
- 11:45 a.m. **VII. Closing Comments & Adjournment**
Supervisor Diane Dillon, Napa County, Chair



CSAC Legislative Conference

Administration of Justice Policy Committee

Wednesday, May 27, 2015 ■ 2:15 – 3:45 p.m.

Sheraton Grand Hotel, Magnolia Ballroom

1203 J Street, Sacramento, CA 95814

Supervisor John Viegas, Glenn County, Chair
Supervisor Keith Carson, Alameda County, Vice-Chair

- 2:15 **Welcome and Introductions**
Supervisor John Viegas, Glenn County
- 2:30 **Local Solutions for Reducing the Length of Stay for Incompetent to Stand Trial (IST) – Local Restoration of Competency Programs (ROC)**
Terry Fillman, MBA, CCHP, Sheriff's Department, San Bernardino County
- 2:50 **How to Lower County Drug Costs in the Criminal Justice System - An Overview of the California Pharmaceutical Procurement Collaborative**
Jim Butler, Chief Procurement Officer, Department of General Services, State of California

Gregory Doe, Pharm.D., Pharmaceutical Program Manager, Department of General Services, State of California
- 3:10 **Trial Court Revenue Distribution – Looking at Revenue Distributions and Statutory Changes Affecting Distributions**
Bob E. Fleshman, Judicial Council of California
- 3:30 **2015-16 Budget and 2015 Legislative Update - Governor's 2015-16 May Revision**
Darby Kernan, Legislative Representative, Administration of Justice, CSAC
- 3:45 **County Concerns and Closing Remarks**
Supervisor John Viegas, Glenn County



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May 28, 2015

To: CSAC Officers
CSAC Board of Directors

From: Judy Morris, CSAC Treasurer
Matt Cate, Executive Director

As Treasurer of CSAC, I present to you the proposed budget for the 2015-16 fiscal year which was unanimously approved by the CSAC Executive Committee on April 9, 2015. In addition to approval of the 2015-16 budget, the CSAC Executive Committee adopted a CSAC Operating Reserve Policy on April 9, 2015 to establish a six-month operating reserve to further ensure long term stability of the association.

In conjunction with the Executive Director, Matt Cate, the attached revenue and spending plan for the upcoming year is hereby submitted for your adoption. The budget reflects the expenditures needed to advance CSAC's mission of serving California's 58 counties through effective advocacy, training, and member services programs.

Recommendation: Adopt the proposed FY 2015-16 CSAC budget.

Before addressing next year's budget, it is important to note that CSAC not only stayed within the budget authority approved by this body last year, but also took several important steps to improve the association's overall budget picture.

First, based on the recommendation of the Revenue and Capital Working Group and the officers, CSAC sold the "Ransohoff Building" at 1029 K Street. The building had lost its anchor tenant the year before and 70% of its offices were vacant. Our consultants opined that it would take approximately \$5,000,000 in upgrades to make it desirable to new tenants. In addition, once the Sacramento Kings broke ground on their new arena, the value of the property to investors went up significantly. Accordingly, we were able to secure an excellent price for the property, thereby eliminating a \$20,000 per month operating loss and increasing our reserves by \$2,962,244, the net proceeds of the sale.

Second, due to some uncertainty regarding revenue, executive staff made the decision to cut administrative spending mid-way through the fiscal year. When combined with staffing changes and temporary vacancies, year-over-year spending was reduced by over \$700,000. Finally, a significant investment of time and energy by the CSAC Officers, staff and Executive Committee in our Corporate Associates program resulted in an increase in net revenue of over \$400,000 in the 2014-2015 fiscal year. In sum, CSAC anticipates ending the 2014-2015 fiscal year with over \$1,000,000 in excess revenue, which will further increase our operating reserves.

Looking ahead, the proposed budget is designed to increase reserves by an additional \$700,000. It will also provide growth in spending authority necessary to fill existing vacancies in our advocacy unit while retaining our existing staff. We also recommend providing resources needed to increase CSAC's presence in our member counties through regionally based meetings, additional staff travel to individual counties, CSAC promotion of county best practices through our new video-based communication model and the expansion of our highly successful CSAC Institute. These enhancements allow CSAC to further focus on member priorities while best positioning the organization for long term sustainability.

Highlights of the proposed CSAC FY 2015-16

Revenues

- Finance Corporation estimated contribution grows by \$200,000 to \$3.5 million.
- Corporate Associates is expected to generate an additional 10% in net revenue, growing by \$40,000 to \$480,000.
- Continuation of CSAC Institute program in San Diego and further expansion into Merced - \$43,000.
- Decrease in gross rental income of \$100,000 due to sale of Ransohoff Building and CSAC Parking Lot.

Expenses

- Decrease in facilities costs of \$150,000 due to sale of Ranshoff property.
- Increase in staff costs of \$590,000 to fill existing vacancies and to provide the Executive Director resources to increase existing salaries as merited.
- Increase expenditures on the CSAC Institute by \$62,000 to cover expansion and other costs of doing business.
- Shift anticipated excess revenues of \$700,000 into reserves.

**California State Association of Counties
Budget FY 15-16**

	Actual FY 13-14	Budget FY 14-15	Year End 2014/15	Proposed Budget 15-16
Revenues:				
Membership Dues	3,430,506	3,430,506	3,430,506	3,430,506
Finance Corp Participation	3,300,000	3,300,000	3,300,000	3,500,000
Rental and Parking Income	619,198	677,271	273,253	170,076
Administrative Miscellaneous	484,556	492,500	553,771	524,200
CSAC Conferences	328,625	360,000	383,963	367,500
CEAC	147,395	142,880	142,880	146,452
Corporate Associates	552,100	846,000	936,300	975,000
Litigation Program	<u>385,693</u>	<u>417,586</u>	<u>417,586</u>	<u>432,276</u>
Total Revenues	9,248,073	9,666,743	9,438,259	9,546,010
Expenditures:				
Salaries/Benefits	5,161,455	5,507,310	4,775,049	5,363,577
Staff Outreach	110,125	100,500	113,081	129,200
Leadership Outreach	102,903	85,000	96,176	85,000
NACo Meetings & Travel	112,106	77,500	96,614	111,000
Public Affairs/Communications	52,731	48,500	50,906	53,250
CSAC Conferences	550,813	547,645	506,653	446,848
Facilities	884,759	1,039,159	550,259	400,996
Office Operations	541,335	616,145	533,061	504,324
Donations	105,000	50,000	115,000	115,000
CEAC	137,595	142,880	142,764	146,452
Outside Contracts	446,889	445,300	428,200	395,000
Corporate Associates	521,189	440,514	488,184	495,378
Litigation Program	357,527	417,316	412,414	430,014
CSAC Institute	<u>73,816</u>	<u>111,786</u>	<u>107,739</u>	<u>170,093</u>
Total Expenditures	9,158,243	9,629,555	8,416,100	8,846,132
PROFIT/(LOSS)	89,830	37,188	1,022,159	699,878

ACCOUNT EXPLANATIONS -
BUDGET YEAR 15-16

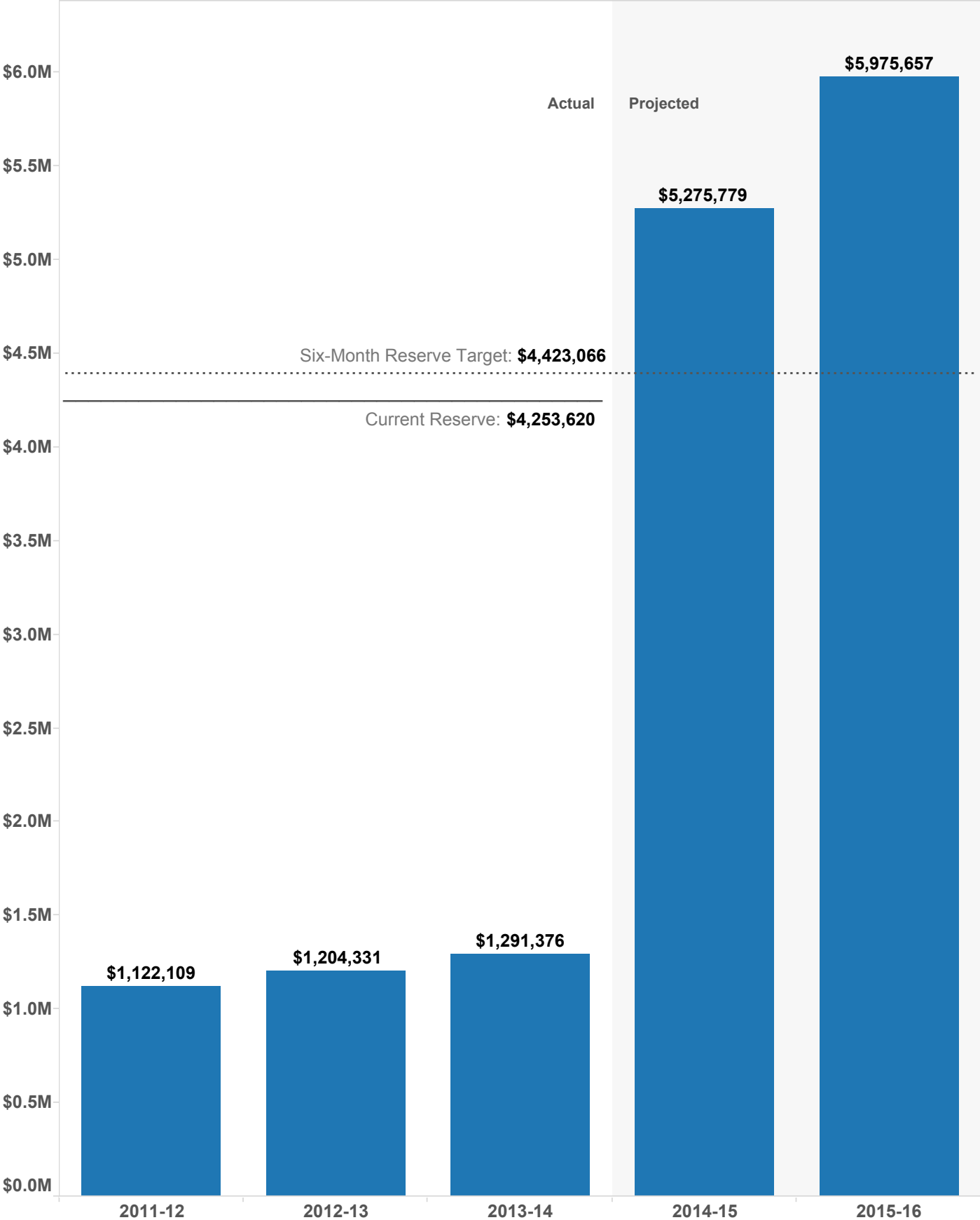
15/16 Budget

ACCT#	EXPLANATION
INCOME:	
MEMBERSHIP DUES	ANNUAL DUES FROM COUNTIES. NO INCREASE SCHEDULED THIS YEAR.
FINANCE CORP PARTICIPATION	CSAC FINANCE CORPORATION CONTRIBUTIONS TO CSAC.
RENTAL INCOME	RENTAL INCOME FOR 1100 K STREET. INCOME LESS THIS YEAR DUE TO THE SALE OF 1029 K STREET AND THE PARKING LOT.
ADMINISTRATIVE MISCELLANEOUS	1) ADMINISTRATION FEES COLLECTED FROM CSAC AFFILIATES FOR PAYROLL AND BENEFIT SERVICES. 2) SALES FOR CSAC ROSTERS, MAILING LIST AND LABELS.3) PRINTING AND COPYING REVENUE GENERATED FROM THE CSAC PRINT SHOP. 4) INTEREST INCOME FROM CHECKING ACCTS AND CALTRUST ACCOUNTS. 5) CONTRACT FOR COMPUTER SERVICES WITH LA COUNTY. 6) SOFT DRINK COMMISSIONS AND FEES FROM JOB ADVERTISING ON CSAC WEBSITE.
CSAC CONFERENCES	REGISTRATION FEES FOR CSAC ANNUAL CONFERENCE AND LEGISLATIVE CONFERENCE.
CEAC	CEAC CONTRACT.
CORPORATE ASSOCIATES	CORPORATE ASSOCIATES MEMBERSHIP DUES AND SPONSORSHIP FOR ANNUAL CONFERENCE AND OTHER EVENTS. EXHIBITOR FEES.
LITIGATION PROGRAM	FUNDED BY A SEPARATE FEE TO SUPPORT CSAC'S ADVOCACY IN STATE AND FEDERAL COURTS, AND TO COORDINATE LITIGATION INVOLVING MULTIPLE COUNTIES. THE 2015-16 FEE IS PROPOSED TO INCREASE BY 4% (\$751 FOR THE LARGEST COUNTIES, AND \$8 FOR THE SMALLEST COUNTIES) TO COVER EXPECTED COST INCREASES. ALSO INCLUDES A \$50,000 TRANSFER FROM CSAC GENERAL FUND FOR IN-HOUSE GENERAL COUNSEL LEGAL SERVICES.
EXPENSES:	
SALARIES/BENEFITS	1) SALARIES REFLECT A DISCRETIONARY MERIT INCREASE. 2) EMPLOYEES THAT ARE TIER 1 ARE CURRENTLY PAYING 18-20% OF EMPLOYEE PORTION OF SBCERA, TIER 2 PAY 100% OF EMPLOYEE PORTION. 3) BENEFITS TO INCLUDE HEALTH, DENTAL, VISION, LIFE AND WORKERS COMP. 4) PAYROLL TAX. 5) AUTO ALLOWANCE 6) ANNUAL EMPLOYEE WORKSHOP 7) PARKING 8) 50% OF WELLNESS PROGRAM.
STAFF OUTREACH	INCLUDES ALL IN AND OUT-OF-TOWN BUSINESS EXPENSES FOR LEGISLATIVE AND ADMINISTRATIVE STAFF.
LEADERSHIP OUTREACH	ALL BUSINESS EXPENSES FOR CSAC BOARD OF DIRECTORS, EXECUTIVE COMMITTEE AND OFFICERS.

**ACCOUNT EXPLANATIONS -
BUDGET YEAR 15-16**

ACCT#	EXPLANATION
NACO MEETINGS & TRAVEL	COSTS ASSOCIATED FOR ALL LEGISLATIVE, ADMINISTRATIVE STAFF AND BOARD MEMBERS TO ATTEND NACO SUPPORTED EVENTS.
PUBLIC AFFAIRS/COMMUNICATIONS	1) ALL COSTS ASSOCIATED WITH PRODUCING & DISTRIBUTING THE ROSTER 2) CHALLENGE AWARDS 3) LEGISLATIVE BULLETIN 4) WEB SITE. 5) WRITTEN, AUDIO AND VIDEO COMMUNICATIONS.
CSAC CONFERENCES	ALL COSTS ASSOCIATED WITH LEGISLATIVE AND ANNUAL CONFERENCE. ALSO INCLUDES STAFF SUPPORT.
FACILITIES	ALL COSTS ASSOCIATED WITH THE MAINTENANCE OF 1100 K STREET. COSTS INCLUDE REPAIRS, UTILITIES, PHONES, INSURANCE, JANITORIAL, DEBT SERVICE AND PROPERTY TAXES.
OFFICE OPERATIONS	ALL COSTS ASSOCIATED WITH OPERATIONS SUCH AS 1) CELL PHONES 2) MEMBERSHIP FEES 3) OFFICE SUPPLIES 4) POSTAGE/DELIVERY 5) R&M AND PURCHASES OF COMPUTERS AND EQUIPMENT 6) COPIERS AND BUSINESS EQUIPMENT.
DONATIONS	CONTRIBUTIONS TO INSTITUTE FOR LOCAL GOVERNMENT(ILG), CSAC RESEARCH AFFILIATE.
CEAC	CEAC EXPENDITURES.
OUTSIDE CONTRACTS	LEGAL CONSULTING , ACCOUNTING SERVICE AND PROFESSIONAL SERVICES SUCH AS WATERMAN CONTRACT AND IT SERVICES.
CORPORATE ASSOCIATES	ALL COSTS ASSOCIATED WITH RUNNING CORPORATE ASSOCIATES PROGRAM INCLUDING SALARY AND BENEFITS FOR PROGRAM MANAGER.
LITIGATION PROGRAM	ALL COSTS ASSOCIATED WITH CSAC'S LITIGATION COORDINATION PROGRAM, AND IN-HOUSE GENERAL COUNSEL LEGAL SERVICES.
CSAC INSTITUTE	CSAC'S CONTRIBUTION TO THE INSTITUTE TO ASSIST IN THE FACILITATION OF THE PROGRAM.

CSAC Reserve, 2011-12 to 2015-16





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CSAC Operating Reserve Policy

1. The purpose of this Policy is to establish an operating reserve for the California State Association of Counties (CSAC) to ensure long-term fiscal stability of the association.
2. CSAC shall maintain an operating reserve of six months of the annual operating budget, less expenditures for the Litigation Program and other restricted expenditures.
 - a. The six-month operating reserve shall be met or exceeded unless there is a significant change in revenues or expenditures or an identified association priority on the use of funds as determined by the Executive Director, in consultation with the Treasurer of CSAC.
 - b. To address significant changes to revenues or expenditures, or to meet association priorities, the Executive Director may utilize reserve funds, in consultation with the Treasurer of CSAC.
 - c. To the extent the operating reserve falls below the six-month target, funds should be replenished to meet the target within three years.
3. The operating reserve policy shall be reviewed periodically to ensure it continues to meet association priorities.



May 12, 2015

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To: CSAC Board of Directors

From: DeAnn Baker, Director of Legislative Affairs
Farrah McDaid Ting, Legislative Representative
Darby Kernan, Legislative Representative
Michelle Gibbons, Legislative Analyst

Re: Commercial Sexual Exploitation of Children (CSEC) – ACTION ITEM

Background. The commercial sexual exploitation of children (CSEC) is a pressing national, state, and local issue. The FBI estimates that 100,000 children in the United States are sold for sex each year, including child sex trafficking, child sex tourism, and child pornography.

In California, the issue is especially urgent. According to the FBI, three of the top 13 highest trafficking areas in the nation are located in California: San Francisco, Los Angeles, and the San Diego metropolitan areas. The age when most youth are lured into CSEC activities is shocking: the average age for boys is between eleven and thirteen, and for girls, it is between ages twelve to fourteen. Even more shocking: the average life expectancy of an exploited child from the time they first enter CSEC activities is 7 years (U.S. News & World Report, Oct. 16, 2005, “*Young Lives for Sale*” by Bay Fang).

County law enforcement, child welfare services, behavioral health, the courts, and community-based organizations all grapple with CSEC youth and report increasing numbers of exploited underage victims. The CSAC Board of Directors recognized the urgency of this issue when they approved the following new CSAC human services platform language on February 19 of this year:

“Counties support efforts to build capacity within local child welfare agencies to serve child victims of commercial sexual exploitation. Commercial sexual exploitation of children (CSEC) is an emerging national and statewide issue. In fact, three of the top ten highest trafficking areas in the nation are located in California: San Francisco, Los Angeles, and the San Diego metropolitan areas. Counties believe this growing and complex problem warrants immediate attention in the Golden State, including funding for prevention, intervention, and direct services through county child welfare services (CWS) agencies. Counties also support close cooperation on CSEC issues with law enforcement, the judiciary, and community-based organizations to ensure the best outcomes for child victims.”

This is also why CSAC actively supported a state budget augmentation last June to earmark more than \$20 million in funding to fund local prevention, intervention, and direct services for CSEC youth (See budget section below for more detail).

The County Counsels’ Association of California, on behalf of CSAC, has also submitted a brief to the United States Supreme Court in support of a Los Angeles City ordinance that allows law enforcement to search motel and hotel guest registers without a warrant during efforts to apprehend human traffickers. The ordinance, which was struck down by the Ninth Circuit Court of Appeals, assisted law enforcement in capturing human traffickers and freeing CSEC youth in numerous cases.

The Supreme Court has yet to hear the appeal.

Other efforts at the state and national levels are underway, including legislation aimed at prevention, identification, and strengthening the tools available to law enforcement for identifying, arresting, and prosecuting child sex traffickers (See state and federal sections below).

Child sex trafficking occurs each day in California, as CSEC youth are transported through our counties and kept captive in varying cities or for specific events. While counties have led the effort to address the unique needs of CSEC youth, including working with law enforcement and the courts to divert suspected exploited children, the need for intensive services tailored to minors who have been ensnared in the illegal sex trafficking trade remains critical. The attached resolution affirms CSAC's commitment to working together to develop strategies to reduce and, hopefully, eliminate the incidence of minors caught in the sex trafficking trade in California.

State Budget. Last summer, CSAC supported a successful County Welfare Directors Association (CWDA) budget proposal last year to fund prevention, intervention, and direct services for CSEC youth through county child welfare services (CWS) agencies. In the current year, counties can access a total of \$20.3 million General Fund, which includes initial and one-time costs and can be matched at 50 percent with federal funding. In future years, county child welfare agencies may access up to \$15 million statewide for CSEC program activities through the Department of Social Services.

We note that counties are still identifying additional resource gaps that will require funding to serve this vulnerable population, especially safe shelter options, intensive services to treat trauma, and long-term supports.

State Legislation. Governor Brown signed a raft of CSEC bills into law last fall, including SB 955 (Chapter 712, Statutes of 2014) by Senator Holly Mitchell allowing courts to authorize wiretaps for the investigation and prosecution of human trafficking, and AB 1585 (Chapter 708, Statutes of 2014) by Assembly Member Luis Alejo to allow the courts to set aside a conviction of solicitation or prostitution for those who can prove he or she was a victim of human trafficking. Senator Mitchell was also successful in passing SB 1165 (Chapter 713, Statutes of 2014), which allows sex trafficking prevention education in California's schools. Fines increased from \$20,000 to \$25,000 for people convicted of placing a minor into prostitution.

Several CSEC bills have been introduced this legislative session, including AB 1051 by Assembly Member Brian Maienschein, which would amend Proposition 21 (2000) to add human trafficking to the list of activities and offenses that may be used to establish criminal gang activity.

SB 518, by Senator Mark Leno, would create clear guidelines for Trauma Recovery Center (TRC) services administered by the Victims Compensation & Government Claims Board (VCGCB) in California. By setting clear guidelines and bolstering training for new trauma recovery centers, this bill would ensure that victims of crime and trauma in California receive the comprehensive and timely services they need in order to heal, and to avoid negative economic consequences for themselves and their communities.

The TRC model has proven to be extremely successful, and since the grant program began, survivors of crime who received services through the TRC saw significant increases in health and wellness. In fact, 74 percent of those served showed an improvement in mental health, and 51 percent demonstrated an improvement in physical health. People who receive services at the TRC are 56 percent more likely to return to employment, 44 percent more likely to cooperate with the district attorney, and 69 percent more likely to generally cooperate with law enforcement. Providing all of these benefits are 33 percent lower than the cost traditional providers.

The Legislative Analyst's Office (LAO) estimates future additional funding for the TRC grant program at anywhere between \$10-20 million annually, stemming from language in Proposition 47 of 2014 that directed 10 percent of the savings realized from the proposition to this program.

Under current law, crime victims and witnesses to crime face various obstacles before receiving monetary compensation that they are lawfully entitled to receive. SB 519, by Senator Loni Hancock, would reform how crime victims are compensated for their suffering in several ways, including but not limited to: requiring that the Board applications be processed within 90 days of receipt, including appeals time; requiring that all Board correspondence with applicants be in English, Spanish, and Chinese; eliminating the "cooperation" requirement in order to get compensation for witnesses who are minors; and increasing the amount a victim's family would receive for funeral costs from \$5000 to \$7500.

Counties agree that reform is necessary to better support victims of crime, such as CSEC victims, and is currently supporting SB 519.

California Attorney General. Attorney General Kamala Harris led an Anti-Trafficking Working Group in 2012 and has created a resource center online for recognizing, treating, and prosecuting human trafficking, including minors, at www.oag.ca.gov/human-trafficking. She also released the report "The State of Human Trafficking in California 2012" (available in the Resources Section below) which identifies human trafficking as a top priority for her office.

In January 2015, the Attorney General announced the new Bureau of Children's Justice within the California Department of Justice (DOJ). The mission is to protect the rights of children and focus the attention and resources of law enforcement and policymakers on the importance of safeguarding every child so that they can meet their full potential. The Bureau will focus its enforcement and advocacy efforts on California's foster care, adoption and juvenile justice system, including human trafficking of vulnerable youth. DOJ held meetings in Sacramento, Los Angeles and Oakland with the expectation of working with experts in the areas of children and family services, CSEC youth, juvenile justice, education, and other areas impacting children.

Federal Actions. The House acted early this year in passing by voice vote the Justice for Victims of Trafficking Act of 2015 (H.R. 181). Adopted on January 27, the bill would provide competitive grants to state and local governments from the U.S. Department of Justice to improve the investigation and prosecution of child trafficking crimes, provide training to personnel to respond to victims and address their need for specialized services. The bill would authorize the appropriation of \$5 million annually over FY's 2016-2019.

The Senate Judiciary Committee reported out a similar bill last month on a unanimous vote. That measure is also called the Justice for Victims of Trafficking Act of 2015 (S. 178). Under the Senate legislation, \$7 million is appropriated annually through a victim's compensation fund from assessments placed on persons convicted of sex trafficking and similar offenses. Funding would be made available to state and local governments through a competitive grant process similar to the one under the House counterpart bill.

Once it reached the Senate floor however, Democrats took a closer look at the language and discovered a statutory reference contained in the bill blocking money from the fund for paying for abortions. The so-called Hyde amendment language has been added to existing pots of funding under federal health programs for many years, but Democrats objected to it being tied to a new source of federal funding. The Senate spent nearly two weeks debating the bill and Republicans had been unable to break a Democratic filibuster against it. Senator Boxer (D-CA) had withdrawn her name as a co-sponsor of the bill and Senator Feinstein (D-CA) has made speeches on the floor stating that she will not support passage until the language is struck from the measure. The bill had been pulled from the Senate floor to make way for debate on the Senate budget resolution (S. Con. Res. 11), but was finally passed after the Hyde Amendment language was removed on April 22. It is now in the House.

This year's Congressional activity on sex trafficking builds upon bipartisan work enacted into law last fall. The new law, the Preventing Sex Trafficking and Strengthening Families Act (H.R. 4980; P.L. 113-183) contains a number of federal, state and local reporting requirements to be implemented over the next few years in order to better understand the breadth of the sex trafficking problem. Included are requirements due to be implemented this fall for child welfare agencies to develop and implement protocols to locate children who have runaway or are missing from foster care; determine the child's experiences while absent from care; develop screening to determine if the child is a sex trafficking victim; and, report the information to the federal government.

Staff Recommendation. Staff recommends that the CSAC Board of Directors adopt the attached resolution to increase awareness of CSEC issues and affirm CSAC's commitment to combatting CSEC activities in our counties. Additionally, staff recommends approval of a county-specific sample resolution to be distributed to all 58 counties for consideration by each County Board of Supervisors.

Attachments:

1. DRAFT CSAC resolution regarding Commercial Sexual Exploitation of Children
2. County-specific sample resolution regarding Commercial Sexual Exploitation of Children

Resources:

- Los Angeles
 - [Succeeding Through Achievement and Resilience \(STAR\) Court](http://www.courts.ca.gov/27693.htm) - <http://www.courts.ca.gov/27693.htm>
 - ["Prostitution in Los Angeles: Court gives girls in sex trade a second chance"](http://www.dailynews.com/social-affairs/20140518/prostitution-in-los-angeles-court-gives-girls-in-sex-trade-a-second-chance) – Los Angeles Daily News <http://www.dailynews.com/social-affairs/20140518/prostitution-in-los-angeles-court-gives-girls-in-sex-trade-a-second-chance>
 - ["January Declared 'National Human Trafficking Month' in L.A. County"](#) – Arcadia Patch

<http://patch.com/california/arcadia/january-declared-national-human-trafficking-month-la-county-0>

- Alameda
 - [H.E.A.T. \(Human Exploitation and Trafficking\) Watch](http://www.heatwatch.org/)
 - [“Alameda County DA Unveils Billboard Campaign Against Child Sex Trafficking”](http://sanfrancisco.cbslocal.com/2015/01/09/alameda-county-district-attorney-unveils-billboard-campaign-against-human-trafficking-child-sex-exploitation/) – CBS SF Bay Area
- San Francisco
 - [SFCaHT \(San Francisco Collaborative Against Human Trafficking\)](http://www.sfcaht.org/)
 - [SFCaHT Anti-Human Trafficking Teen Poster Contest](http://www.sfcaht.org/teen-poster-contest.html)
- Merced
 - [“Fight against human trafficking changing in Merced County”](http://www.mercedsunstar.com/news/local/article6729123.html) – Merced Sun-Star

Reports:

- 2012 Attorney General Report: [“The State of Human Trafficking in California”](http://oag.ca.gov/sites/all/files/agweb/pdfs/ht/human-trafficking-2012.pdf)
- 2013 California Child Welfare Council Report: [“Ending the Commercial Sexual Exploitation of Children”](http://www.youthlaw.org/fileadmin/ncyl/youthlaw/publications/Ending-CSEC-A-Call-for-Multi-System_Collaboration-in-CA.pdf)
- National Human Trafficking Resource Center 2007-2012 Report: [“Human Trafficking Trends in the United States – Polaris Project”](http://www.polarisproject.org/human-trafficking/overview/human-trafficking-trends) - <http://www.polarisproject.org/human-trafficking/overview/human-trafficking-trends>
- April 2014 NACo Survey Report: [“The Problem of Human Sex Trafficking in America”](http://www.naco.org/newsroom/pubs/Documents/Surveys/SexTrafficking_Survey_April2014.pdf)
- Legislative Analyst’s Office Report: [“The 2015-16 Budget: Improving State Programs for Victims of Crime”](http://www.lao.ca.gov/reports/2015/budget/crime-victims/crime-victims-031815.pdf)
- California State Auditor December 2008 Report: [Victim Compensation and Government Claims Board: It Has Begun Improving the Victim Compensation Program, but More Remains to Be Done”](https://www.bsa.ca.gov/pdfs/reports/2008-113.pdf)

Staff Contacts:

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Michelle Gibbons can be reached at (916) 327-7500 Ext. 524 or mgibbons@counties.org.

A RESOLUTION TO AFFIRM CSAC'S COMMITMENT TO PREVENTING COMMERCIAL SEXUAL EXPLOITATION OF CHILDREN IN OUR COUNTIES AND WORK COLLABORATIVELY WITH ALL COUNTY PARTNERS TO IDENTIFY, PROTECT, AND SERVE THESE VULNERABLE YOUTH

IN THE MATTER OF the epidemic of Commercial Sexual Exploitation of Children (CSEC) in the State of California:

WHEREAS, the Board of Directors of the California State Association of Counties (CSAC) recognize that the commercial sexual exploitation of children is a pressing national, state, and local issue, and

WHEREAS, the FBI estimates that 100,000 children in the United States are sold for sex each year, including child sex trafficking, child sex tourism, and child pornography, and

WHEREAS, three of the top 13 highest trafficking areas in the nation are located in California: San Francisco, Los Angeles, and the San Diego metropolitan areas, and

WHEREAS, county law enforcement, child welfare services, behavioral health, the courts, and community-based organizations report increasing numbers of exploited underage victims, and

WHEREAS, counties have led the effort to address the unique needs of CSEC youth, including working with law enforcement and the courts to divert suspected exploited children, and

WHEREAS, county law enforcement, child welfare services, behavioral health, the courts, and community-based organizations continue to grapple with identifying and assisting CSEC youth, and

WHEREAS, the need for intensive services tailored to minors who have been ensnared in the illegal sex trafficking trade remains critical,

NOW, THEREFORE, BE IT RESOLVED BY THE CSAC BOARD OF DIRECTORS TO AFFIRM CSAC'S COMMITMENT TO DEVELOPING AND SUPPORTING STRATEGIES TO PREVENT, REDUCE, AND SERVE THE VICTIMS OF COMMERCIAL SEXUAL EXPLOITATION OF CHILDREN AND WORK TO ELIMINATE SEX TRAFFICKING IN CALIFORNIA.

PASSED AND ADOPTED by the Board of Directors of the California State Association of Counties at its meeting on the ____ day of _____ .

By: _____
CSAC PRESIDENT

A RESOLUTION TO AFFIRM THE COMMITMENT OF THE COUNTY OF

(COUNTY NAME)

TO PREVENTING COMMERCIAL SEXUAL EXPLOITATION OF CHILDREN IN OUR COUNTY AND TO WORK COLLABORATIVELY WITH ALL COUNTY PARTNERS TO IDENTIFY, PROTECT, AND SERVE THESE VULNERABLE CHILDREN AND YOUTH

IN THE MATTER OF the epidemic of Commercial Sexual Exploitation of Children (CSEC) in the State of California:

WHEREAS, the _____ County Board of Supervisors (Board of Supervisors) recognizes that the commercial sexual exploitation of children is a pressing national, state, and local issue, and

WHEREAS, the FBI estimates that 100,000 children in the United States are sold for sex each year, including child sex trafficking, child sex tourism, and child pornography, and

WHEREAS, three of the top 13 highest trafficking areas in the nation are located in California: San Francisco, Los Angeles, and the San Diego metropolitan areas, and

WHEREAS, county law enforcement, child welfare services, behavioral health, the courts, and community-based organizations report increasing numbers of exploited underage victims, and

WHEREAS, counties have led the effort to address the unique needs of CSEC youth, including working with law enforcement and the courts to divert suspected exploited children, and

WHEREAS, county law enforcement, child welfare services, behavioral health, the courts, and community-based organizations continue to grapple with identifying and assisting CSEC youth but have also made significant gains in meeting the unique needs of these traumatized children, and

WHEREAS, the need for intensive services tailored to minors who have been ensnared in the illegal sex trafficking trade remains critical,

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF SUPERVISORS TO AFFIRM THE COUNTY'S COMMITMENT TO DEVELOPING AND SUPPORTING STRATEGIES TO PREVENT, REDUCE, AND SERVE THE VICTIMS OF COMMERCIAL SEXUAL EXPLOITATION OF CHILDREN AND WORK TO ELIMINATE SEX TRAFFICKING IN CALIFORNIA.

PASSED AND ADOPTED by the _____ County Board of Supervisors at its meeting on the ____ day of _____.



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May 12, 2015

To: CSAC Board of Directors

From: Farrah McDaid Ting, Legislative Representative
Michelle Gibbons, Legislative Analyst

Re: Poverty Platform Language and Framework – ACTION ITEM

Staff Recommendation. *CSAC staff recommends approval of the attached proposed poverty platform plank by the CSAC Board of Directors.*

Background. The CSAC Executive Committee directed CSAC staff to convene a Poverty Working Group in 2015 to examine ways in which counties can have an impact on poverty in our communities.

California's counties are the front line California's of human assistance, mental health, and health systems, serving as the community's link between state and federal policies and the delivery of critical poverty reduction services.

There is a growing public dialogue on poverty issues in California and nationally as the recovery from the Great Recession has been uneven and underscored income inequality and the growth in poverty in America. Millions of Californians feel the impact of poverty every day. The 2010 Census reports that 16.3 percent of Californians live at or below the federal poverty level. This number jumps to 23.5 percent of Californians when expanding the federal poverty level formula to include basic needs, such as clothing, shelter, utilities and government programs designed to assist low income families.

Poverty has a large impact on some of our most vulnerable populations, including children. One-third of the 6 million impoverished Californians are children. Nearly one out of four children in the state is currently living in a poverty-stricken household. The impact of childhood poverty can last a lifetime; children who grow up in poverty are three times as likely to live in poverty as adults.

The convergence of the Great Recession, the 50th Anniversary of the federal War on Poverty (2014), and new poverty measurements, such as the enhanced poverty measurement proposed by the Census Bureau, has sparked national, state, and local conversations on the issue. The Democratic-led California Legislature is keenly interested in poverty-related issues, with Assembly Speaker Toni Atkins releasing an affordable housing proposal and Senate President pro Tempore Kevin de León releasing a subsidized child care proposal in the last month alone. Other members of the Legislature are advocating for an Earned Income Tax Credit, repealing the CalWORKs Maximum Family Grant, and creating supportive housing to combat homelessness.

The CSAC Poverty Working Group 2015 (PWG) is tasked with examining the issues related to poverty that are in play in California today and steer the Association toward supporting, developing, or promoting achievable solutions at the county level.

Organization. CSAC President Vito Chiesa has appointed three co-chairs for the group:

Kathy Long, Ventura County, Urban Caucus
Leticia Perez, Kern County, Suburban Caucus
Lee Adams, Sierra County, Rural Caucus

Membership on the PWG is voluntary and is comprised of county supervisors, county administrators, county staff, CSAC affiliate members, and other interested persons who have a nexus with counties. The three co-chairs strongly encourage all members to engage in the conversation to assist the group's decision-making process. County supervisors and their proxies serve as the voting members.

Process. The PWG approved the attached proposed platform plank in March, and the CSAC Health and Human Services Policy Committee approved it on April 30. Should the CSAC Board of Directors approve the plank today, it will be incorporated into the Human Services chapter of the CSAC 2015-16 Policy Platform.

Platform Language. Every two years, the CSAC Board of Directors adopts the CSAC Platform. The first task of the PWG was to create and approve a proposed poverty plank for the CSAC platform to guide the Association's policy work on the issue.

Attachments:

DRAFT Proposed CSAC Poverty Platform Language as approved by the CSAC Poverty Working Group and the CSAC Health and Human Services Policy Committee.

Staff Contacts:

Farrah McDaid Ting can be reached at (916) 327-7500 Ext. 559 or fmcdaid@counties.org.
Michelle Gibbons can be reached at (916) 327-7500 Ext. 524 or mgibbons@counties.org.

DRAFT for consideration by the CSAC Board of Directors

May 28, 2015

The following proposed Poverty Platform Language was developed by the CSAC Poverty Working Group and approved by the CSAC Health and Human Services Policy Committee.

(Proposed) POVERTY PLATFORM

The California State Association of Counties affirms that California's counties are the front line of human assistance systems, serving as the community's link between state and federal policies and the delivery of critical poverty reduction services.

Poverty is influenced by a disparate but connected set of factors, including but not limited to: a lack of sufficient income, geographic challenges, employment and economic climate, availability of supports and services, availability of stable and permanent housing, education resources, lack of transportation systems, complex state and federal regulation, access to health care, health disparities, and access to quality child care.

Counties recognize that poverty may be influenced by international, national, and state economic factors outside of local control, but note that any period in which poverty increases results in a pernicious cycle of rising caseloads and needs while revenues at the county level decrease.

Counties must have the local administrative flexibility and resources to meet federal and state standards, while also meeting the unique needs of their residents. Counties recognize that poverty impacts other levels of local government, including schools and cities, and encourage working collaboratively to serve all residents. Counties must also be partners in the design and reform of programs that focus on the whole person/family as the starting point for customizing services in order to address poverty in our communities.



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May 28, 2015

To: CSAC Officers
CSAC Board of Directors

From: Matt Cate, Executive Director
Graham Knaus, Director of Operations and Member Services

Re: CSAC Strategic Plan Update

The Board last approved a strategic plan for CSAC in 2003. The plan was implemented in 2004-05 and included many elements that continue to guide CSAC today. These include the Vision and Mission Statements of the association, and focus on advocacy and communications.

Over the last decade, the relationship between counties and the Federal and State Governments have evolved to become ever more complex. At the same time, the tools to communicate with our members, partners, and stakeholders continue to change. As such, it has become critically important to renew our efforts to develop a comprehensive strategic approach to advocacy, communications, education, member engagement and operations.

The strategic planning effort is underway. Based on prior discussions and guidance from the Board and Executive Committee, staff continues to develop a framework and timeline for the strategic plan. CSAC staff is seeking additional Board input on the overarching purpose, goals, and priorities of the association to inform the strategic plan and maximize the representation and education of counties and our strategic partners.

Key pillars for the strategic plan include:

- Growing CSAC influence on Federal and State policy priorities.
- Enhanced communication to members, stakeholders, media, and public.
- Increased policy analysis and research on issues of importance to counties.
- Focused education to provide critical tools and resources to counties through the CSAC Institute.
- Maintain efficient internal operations of the association.

Over the coming months, there will be continued discussions with the Board, Executive Committee, and CSAC staff with a December 2015 target for Board consideration of the strategic plan. CSAC staff will continue to include updates and opportunities for Board and Executive Committee input throughout the strategic planning process.

CSAC Mission Statement

The mission of the California State Association of Counties (CSAC), is to represent county government before the California Legislature, U.S. Congress, state and federal agencies and other entities, while educating the public about the value and need for county programs and services. CSAC provides a broad range of services to all 58 counties in California through its Finance Corporation activities, public policy development, training, insurance service programs, research and a variety of communication tools, including Internet services.

CSAC is committed to assisting California counties in providing a vital and efficient system of public services for the general health, welfare and public safety of every resident. County governments spend in excess of \$30 billion a year and comprise a work force of more than 280,000 professionals. Each day county government directly or indirectly touches the lives of every Californian. The magnitude of this human effort demands strong and credible participation in our democratic institutions.

“ADVOCATE... COLLABORATE... EDUCATE... AND COMMUNICATE”

The California State Association of Counties (CSAC), governed by elected county supervisors, is a nonprofit corporation dedicated to meeting specific needs of counties including advocacy as a primary responsibility, client services and public/private partnerships. Established in 1895, CSAC provides leadership to support its 58 member counties in the following ways:

- Initiates structural and fiscal reform to address how services are determined, delivered and funded in the State of California.
- Advocates on behalf of county government and the people it serves before the executive, legislative and judicial branches of state and federal governments in policy development and implementation.
- Promotes excellence in county government.
- Strengthens communication and consensus among counties within a context that recognizes their diverse needs.
- Promotes education and understanding about the fundamental value of county programs and services and the challenges facing them.
- Anticipates and responds to the needs of our membership through specialized programs and services.
- Encourages and develops partnerships with other local governments, related associations, and the private sector in order to enhance the positions and policies of CSAC.
- Facilitates intergovernmental problem-solving.
- Ensures efficient and effective operations while seeking new opportunities and methodologies to foster continued excellence within CSAC.

CSAC VISION STATEMENT

The California State Association of Counties (CSAC) VISION is to be recognized and respected as *the* voice and *the* leader for California counties and the people they serve. The organization plays a pivotal role as the source of education and information on issues affecting all California counties. As local governments in California undergo dramatic changes, CSAC is uniquely positioned to provide leadership, support and advice to counties as they adjust to the new roles and challenges at the local, state, and federal level. Efforts shall be proactive and collaborative to inspire public trust and excellence in government and shall involve our membership, affiliate members, private and public sector partners, nonprofit entities and CSAC staff.



Medical Marijuana Working Group

Wednesday, May 27, 2015

10:30 a.m. – 11:45 a.m.

Capitol Event Center

1020 11th Street, Second Floor

Sacramento, CA 95814

AGENDA

Supervisor, Mark Lovelace, Humboldt County, Co-Chair
Supervisor Bruce McPherson, Santa Cruz County, Co- Chair

10:30 a.m. I. Welcome and Introductions

*Supervisor, Mark Lovelace, Humboldt County, Co-Chair
Supervisor Bruce McPherson, Santa Cruz County, Co- Chair*

10:40 a.m. II. 2015 Medical Marijuana Legislation:

AB 34 (Bonta) – Medical Cannabis: State Regulation

AB 243 (Wood) – Medical Marijuana Cultivation

AB 266 (Cooley) – Medical Marijuana

SB 643 (McGuire) – Medical Marijuana

*Karen Keene, CSAC Senior Legislative Representative
Cara Martinson, CSAC Legislative Representative*

11:00 a.m. III. North Coast Counties Marijuana Policy Statement

*Supervisor, Mark Lovelace, Humboldt County
Carmel Angelo, County Administrator, Mendocino County*

11:20 a.m. IV. Roundtable Discussion

11:45 a.m. V. Other Items and Adjournment



North Coast Counties Marijuana Policy Statement

Preamble

North Coast Counties have unique insight into the significant problems and opportunities posed by statewide regulation and potential legalization of adult recreational use of marijuana. Inconsistent State and Federal laws and existing ambiguities in State law have caused significant economic, environmental, and public safety impacts to North Coast Counties related to the cultivation and distribution of marijuana. We strongly encourage the adoption of comprehensive State marijuana policies that will protect local communities and governments and also respect local control.

There is a need for certain and uniform state regulation while at the same time allowing local government the flexibility to address individual community needs. State regulation should set clear minimum guidelines and should expressly not preempt local government control. State law and policy should reflect the basic reality that economic effects, environmental impacts, and community sensitivity vary widely from rural to urban areas and from one area to another, and have a direct impact on local quality of life. It is imperative that counties retain local control to address impacts appropriately from rural to urban communities.

Policy Statements

I. Local Control

- State leadership is critical to provide a comprehensive regulatory framework which clearly delineates the roles of local and state government.
- Minimum statewide standards on a range of issues including licensing, safety, accounting, state taxation, cultivation standards, distribution and consumer standards should be developed with local input.
- A statewide regulatory program must explicitly preserve the right of local jurisdictions to regulate items of local concern including authority to: issue business licenses and impose local taxes to produce funding streams to fully cover local costs; to enact land use regulations; and to enact other restrictions applicable to the cultivation, distribution, and sale of marijuana based on a local governing body's determination of local needs.
- Existing local authority to regulate or prohibit the indoor or outdoor cultivation of marijuana and the establishment of dispensaries in certain areas must be explicitly preserved.
- The right of local jurisdictions to provide for the health, safety and welfare of their constituents must be respected within an overall state regulatory framework.

II. Revenue & Taxation

- Counties must have the ability to impose fees and fines to recover direct costs of local regulation and code enforcement with respect to all aspects of marijuana cultivation, sales and distribution.
- Counties must have the option to adopt local excise and sales taxes to recover enforcement, environmental and other costs, subject to uniform statewide tax cap limits.

- State and local marijuana related excise and sales tax limits must be set at a level that does not discourage transition to a regulated market.
- Counties must be granted flexibility to further incentivize the transition to a regulated market, for instance, by deferring full imposition of the adopted local tax structure.
- Marijuana, no matter its use (medical or recreational), must be subject to state and local taxation in the same manner and at the same level in order to provide regulatory certainty and avoid the difficulties inherent in establishing a dual system of administration.

III. **Environmental Protection**

- Environmental protection and remediation shall be paramount in any regulatory and/or funding framework.
- Best management practices must be developed and adopted.
- Current environmental enforcement should remain the responsibility of existing regulatory agencies.
- Adequate and flexible enforcement tools must be available to local jurisdictions, including the availability of incentives to encourage responsible environmental practices.
- Counties must receive adequate funding from the state to compensate for local environmental enforcement and remediation including legacy impacts.

IV. **Economics**

- Legalization of marijuana for adult recreational use will have economic implications for North Coast Counties. To mitigate negative effects, the state must allocate a portion of state revenue to assist counties.
- A statewide regulatory program must provide economic development assistance including job training to help North Coast counties of origin successfully rebuild their traditional resource based economies while transitioning to a fully regulated legalized marijuana industry.
- State leadership is also necessary to address larger education and research programs beyond the purview of individual counties. Much like tobacco, the state must allocate funds to implement research, education and prevention programs, particularly for youth, to mitigate marijuana abuse and dependence.
- To ensure that counties can differentiate their products in the marketplace a statewide chain of custody certification program is needed to allow local branding that highlights regional strains, sustainable environmental practices, responsible processing, and ethical business behavior. Chain of custody certification will increase value to local producers and encourage consumers to make responsible purchasing decisions.

Conclusion

North Coast Counties support a comprehensive state regulatory framework that explicitly preserves existing local control, while protecting the environment, local economies and quality of life. We welcome the opportunity to provide additional language and information that supports these policy concepts.

North Coast Regional Summit on the Economic Impacts of Legalized Cannabis

Overview

Over the past year, the North Coast Counties have been informally discussing the possible impacts of legalized cannabis on the economies, the environment and public safety. With a desire to coordinate a larger discussion and possible action, a small group of supervisors and CAOs decided to move forward with a regional summit to share information and ideas and if possible, develop a unified regional public statement.

On March 5, 2015, the North Coast regional summit on the Economic Impacts of Legalized Cannabis was held at the City of Santa Rosa Utilities Field Operations Center. The goal of the Summit was to develop a regional and unified position statement to help shape state legislation in order to influence cannabis policy and potential legalization with appropriate local control. Supervisors and Chief Administrative officers (CAOs) attended from the counties of Del Norte, Humboldt, Lake, Mendocino, Sonoma and Trinity (Attachment A). In addition, legislative representatives, California State Association of Counties, Rural County Representatives of California and county staff participated in the summit.

Guest speakers at the event included:

- David Baumgarten, Esq., from Gunnison County, Colorado: Keynote presentation entitled, "Lessons Learned: A Colorado Attorney Perspective Regarding Legalization Recreational Marijuana."
- Assemblyman Jim Wood, 2nd District: Update on Assembly Bill 243
- Representatives from California State Association of Counties (CSAC), Rural County Representatives of California (RCRC) and legislative advocacy firm Shaw/Yoder/Antwih, Inc. provided updates on marijuana-related legislation.

The majority of the day was spent in breakout groups and a roundtable discussion between the Supervisors from the participating counties. While the primary focus of the Summit was on potential economic impacts to the region, participants also discussed important impacts on local governments that need to be addressed in a regulatory framework. Breakout group topics consisted of the policy areas of local control, revenue and taxation, environment and economics.

The results from the breakout groups were compiled to craft a working outline for a regional policy statement. Subsequent to the Summit, the Supervisors and CAOs have collaborated repeatedly to create a uniform policy statement that reflects the priorities identified through the event. Comments and feedback were solicited and incorporated into the development of the statement from the entire group of Supervisors, CAOs and the larger participant group. On April 22, 2015 the group of Supervisors approved a final North Coast Counties Marijuana Policy Statement. Adoption of a unified regional statement provides the opportunity for counties to come together and influence the state legislative process to protect, support and enhance our economies, environment and quality of life, while retaining local control. The North Coast Counties Marijuana Policy Statement will go before each County's respective board in May for possible adoption as a companion statement to the individual Board of Supervisors Legislative platforms on Marijuana, coupled with the marijuana platforms from CSAC and RCRC. Upon regional adoption the Policy Statement will be sent to CSAC, RCRC and all rural counties for consideration.

Attachment A

North Coast Regional Summit	
Supervisors and CAOs Attendees	
Mendocino County	
Mendocino Supervisor	John McCowen
Mendocino Supervisor	Tom Woodhouse
Mendocino CEO	Carmel Angelo
Humboldt County	
Humboldt Supervisor	Estelle Fennell
Humboldt Supervisor	Mark Lovelace
Humboldt Deputy CAO	Amy Nilsen
Lake County	
Lake Supervisor	Anthony Farrington
Lake Supervisor	Jim Steele
Lake CAO	Matt Perry
Trinity County	
Trinity Supervisor	Judy Morris
Trinity Supervisor	John Fenley
Trinity CAO	Wendy Tyler
Sonoma County	
Sonoma Supervisor	Susan Gorin
Sonoma Supervisor	David Rabbitt
Sonoma CAO	Veronica Ferguson
Del Norte County	
Del Norte Supervisor	Gerry Hemmingsen
Del Norte CAO	Jay Sarina



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Promoting Good Government at the Local Level

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Irvine Company

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California Special Districts Association

Art Takahara

President, De Anza Manufacturing
Former Mayor, Mountain View

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Update on Activities

May 2015

The Institute for Local Government (ILG) is the research and education affiliate of the California State Association of Counties, League of California Cities and the California Special Districts Association. ILG promotes good government at the local level with practical, impartial and easy-to-use resources for California communities. Our resources on ethics and transparency, local government basics, public engagement, sustainable communities and collaboration and partnerships are available at www.ca-ilg.org.

Highlights

- “Cap and Trade Symposium: Advancing Climate Action, Sustainability and Community Well-Being” drew state and local leaders to discuss how local governments and the state can work together to ensure that California communities benefit from the state’s investment in Cap and Trade and the Greenhouse Gas Reduction Fund (details below).
- ILG launched a survey on local government collaboration. This short survey focuses on healthy eating/active living, safety and violence prevention, and to what extent local agencies approach the issues through collaborations or partnerships. Responses will help ILG better understand perceptions, needs and motivations for resolving key community issues. The survey can be found at: http://cacities.az1.qualtrics.com/jfe/form/SV_6RkS3att0a2AIQF
- ILG has created new resources on cap and trade, the economic development and environmental benefits of recycling facilities and more (see links below).

Cap and Trade Symposium

In early April, ILG hosted “Cap and Trade Symposium: Advancing Climate Action, Sustainability and Community Well-Being.” The symposium began with a Leadership Dialogue where attendees heard from a select group of state and local leaders discussing how they can partner to achieve the Governor’s goals in communities throughout California. The panel included Secretary Anna Caballero, Business, Consumer Services and Housing Agency, Secretary Brian Kelly, CA State Transportation Agency, Secretary John Laird, Natural Resource Agency, Secretary Matt Rodriguez, CA Environmental

Protection Agency, representatives from California counties (including CSAC Executive Director Matt Cate and Supervisors Don Saylor and Leticia Perez), the League of California Cities and Special Districts Association as well as representatives from select local governments across the state.

Following the Leadership Dialogue, attendees broke into three roundtable discussions on: (1) sustainable communities and clean transportation, (2) clean energy and waste diversion, and (3) natural resources and working lands. Participants discussed how the state's cap and trade program can support and compliment local efforts.

In conjunction with this event, ILG developed a Cap and Trade Resource Center which provides and overview of cap and trade, the funding available to local governments and each of the current cap and trade funds. The resource center can be found here: www.ca-ilg.org/cap-and-trade-resource-center.

Joint Leadership Meeting

On May 29th, ILG will be hosting a joint leadership meeting for the Executive Committee officers of the California State Association of Counties, the League of California Cities and the California Special Districts Association. This event will allow each organization to share their priorities and discuss the current and emerging issues impacting cities, counties and special districts.

New Resources

- *Cap and Trade: Investing in California Communities* (brochure and infographic) – provides and overview of cap and trade, the funding available to local governments and each of the current cap and trade funds (www.ca-ilg.org/cap-and-trade-resource-center)
- *Connecting the Dots: Recycling, Climate and Economic Development* - offers an explanation of the connections between recycling, climate and economic development. Increasing recycling can reduce our greenhouse gas emissions, and creating the facilities for that recycling and use of recycling materials will promote economic development (www.ca-ilg.org/document/connecting-the-dots).
- *Understanding Recycling Facilities and Required Permits* – outlines the different types of recycling infrastructure projects and the permits required for each (www.ca-ilg.org/post/understanding-recycling-facilities-and-required-permits).
- *Webinar: Tips to Streamline the Planning Process for Recycling Facilities* – focused on the planning process for recycling infrastructure projects and opportunities to streamline the process and a case example of how Butte County streamlined the planning process for recycling infrastructure process. (www.ca-ilg.org/webinar/tips-streamline-planning-process-recycling-facilities).

Board of Directors

- The ILG Board met on May 1st in Sacramento. Agenda topics included: a presentation from the FPPC and a facilitated conversation on ILG's Public Engagement Program. The next Board meeting will take place August 20-21 in San Diego.

ILG Sustainability Program Update

In 2015, the Sustainability team has been pursuing three major goals:

1. Cultivate and connect a growing network of city and county sustainability leaders;
2. Expand and accelerate the Beacon Energy, Climate and Sustainability program; and
3. Provide timely resources and technical assistance for city and county leaders and staff seeking effective and practical ways to create more vibrant, prosperous and sustainable communities.

Summary of recent program activities:

- Recruited ten additional Beacon participants since the beginning of the year, bringing the number of local jurisdictions participating in the program to 72.
- Focused individual recruitment efforts on counties and areas where we do not have representation. As a result, we have received interest from the Counties of Riverside and San Mateo.
- Hosted presentations that attract and educate local officials and sustainability leaders, including three sessions at the Green California Summit in Sacramento County and one in Western Riverside County.
- Developed new resources on the state's Cap and Trade program, including a guide to the state's investment programs and an online resource center.
- Participated in a briefing for the Legislative Environmental Caucus on the Beacon Program and the need for additional state support for implementation of local climate action programs beyond those currently provided through the Cap and Trade program, done in conjunction with Cara Martinson from CSAC and Jason Rhine of the League.

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<p>BOARD MEMBERS EMERITUS</p> <table style="width: 100%;"> <tr> <td style="width: 50%;"> <p>Don Benninghoven Former Executive Director Cities Counties Schools Partnership 1737 Paterna Rd. Santa Barbara, CA 93103 tel: (805) 965-9413 fx: (801) 681-6092 E-mail: Don.Benninghoven@verizon.net</p> </td> <td style="width: 50%;"> <p>Jerry Patterson Member, Board of Trustees, Coast Community College District 9185 Caladium Avenue Fountain Valley, CA 92708 tel: (714) 842-0175 fx: (714) 842-0175 E-mail: jpatterson@ccd.edu</p> </td> </tr> </table>			<p>Don Benninghoven Former Executive Director Cities Counties Schools Partnership 1737 Paterna Rd. Santa Barbara, CA 93103 tel: (805) 965-9413 fx: (801) 681-6092 E-mail: Don.Benninghoven@verizon.net</p>	<p>Jerry Patterson Member, Board of Trustees, Coast Community College District 9185 Caladium Avenue Fountain Valley, CA 92708 tel: (714) 842-0175 fx: (714) 842-0175 E-mail: jpatterson@ccd.edu</p>
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*Board members serve three-year terms. See Institute Bylaws art. III, § 2.

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MEMORANDUM

**To: Supervisor Vito Chiesa, President, and
Members of the CSAC Board of Directors**

From: Jennifer Henning, Litigation Coordinator

Date: May 28, 2015

Re: Litigation Coordination Program Update

This memorandum will provide you with information on the Litigation Coordination Program's new case activities since February 19, 2015. Briefs filed on CSAC's behalf are available at:
<http://www.counties.org/csac-litigation-coordination-program>.

Ardon v. City of Los Angeles

Previously published at: 232 Cal.App.4th 175 (2d Dist. Dec. 10, 2014)(B252476), *petition for review granted* (Mar. 11, 2015)(S223876)

Several documents subject to the attorney-client privilege were inadvertently released by city staff in response to a PRA request by plaintiff Ardon. Ardon's counsel notified the city that the documents were in Ardon's possession and the city requested that the documents be returned. Ardon's counsel refused, contending that the city waived any privilege that may have applied by disclosing the documents. The city filed a motion seeking return of the documents, which the trial court denied. The Second District Court of Appeal affirmed, holding that disclosures pursuant to the PRA that are made inadvertently, by mistake or through excusable neglect still waive any privilege that would otherwise attach to the document's production. The California Supreme Court has granted review to the following issues: 1) Does inadvertent disclosure of attorney work product and privileged documents in response to a Public Records Act request waive those privileges and protections? (2) Should the attorney who received the documents be disqualified because she examined them and refused to return them? CSAC will file a brief in support of the City of Los Angeles.

May 13, 2015

City of El Centro v. Lanier

Pending in the Fourth Appellate District (filed Oct. 9, 2014)(D066755)

Six cities filed a petition for writ of mandate seeking to prevent state officials from implementing and enforcing three bills (SB 7 (2013), SB 829 (2012) and SB 922 (2011)), which condition receipt of state funding on city compliance with prevailing wage laws in contracting. The trial court ruled that the challenged laws are constitutional, and if local government entities want to receive state funds, they have to yield to the state's policy objectives. Though this prevailing wage issue does not directly impact most counties, under the trial court's rationale, the Legislature could, for example, condition county road money on complying with binding arbitration provisions, when those same binding arbitration provisions were found unconstitutional when the Legislature tried to enact them directly. Therefore, CSAC will file a brief in support of the cities to advocate for the preservation of a Board of Supervisor's constitutional authority against such unconstitutional conditions imposed by the Legislature.

County of Tulare v. PERB (SEIU)

Pending in the Fifth Appellate District (filed Mar. 30, 2015)(F071240)

Tulare County had an MOU with SEIU that froze merit increases during the term of the MOU, and stated that employees "will be placed" in the appropriate pay range after expiration of the MOU. Prior to the MOU's expiration, the parties began negotiations on a new MOU. The county proposed continuing the merit increase freeze, but SEIU refused. After reaching impasse, the county imposed the freeze, and SEIU filed an unfair practice charge with PERB. The ALJ ruled in the county's favor, finding that because the parties had reached a bona fide impasse, the county could impose its last, best and final offer (LBFO). The PERB reversed the ALJ, concluding that the language in the MOU about employees' pay ranges after expiration of the MOU survived the contract and limited the county's right to impose contrary terms at impasse. The PERB acknowledged that generally public employees have no vested right in wages or benefits beyond the terms of the contract. But the PERB concluded that the language in this agreement created a right that survived the contract's term. CSAC will file a brief in support of Tulare County.

Lamar Central Outdoor v. City of Los Angeles

Pending in the Second Appellate District (filed Aug. 14, 2014)(B260074)

Plaintiff, which wanted to convert some of its existing offsite commercial signs to digital signs, challenged the city's ordinance banning offsite commercial billboards. Specifically, plaintiff argued that the ban violates the California Constitution's liberty of speech clause, which it argues affords greater speech protection than the First Amendment. Plaintiff also argued that the ban violates equal protection rights. Despite the fact that the city's ordinance has been upheld by the Ninth Circuit against a First Amendment challenge, the trial court granted the

May 13, 2015

writ, ordering the city to review plaintiff's applications without regard to sign content and prohibiting the city from applying the ban to the permit applications. The court found the ban to be unconstitutional as a content-based regulation that fails heightened or strict scrutiny analysis under the California free speech clause, and also fails under the federal standard using intermediate scrutiny. The city has appealed the ruling, and CSAC will file a brief in support.

Levin v. City and County of San Francisco

Pending in the Ninth Circuit Court of Appeals (filed Nov. 19, 2015)(14-17283)

The city enacted an ordinance in 2014 that requires property owners withdrawing their rent-controlled property from the rental market to pay an "enhanced" lump sum to a displaced tenant for relocation assistance. The property owner must pay the tenant the difference between the unit's current monthly rental rate and the fair market rental value of a comparable unit in the City for the ensuing two years. Plaintiffs, who are property owners obligated to make relocation payments, brought this action alleging that the ordinance imposes a facially unconstitutional exaction and a taking in violation of the Fifth Amendment, violates substantive due process and Fourth Amendment rights, and is preempted by the State's Ellis Act (which governs rent control). The federal district court struck down the ordinance as an unconstitutional taking, concluding that the ordinance "lacks an essential nexus and rough proportionality to the effects of the proposed new use of the specific property at issue" and therefore "does not pass constitutional muster." The court did not address the Ellis Act/state law preemption issue. CSAC will file a brief limited to the issues of constitutional avoidance, and the nexus standard applicable to development fees.

Lynch v. California Coastal Commission

Previously published at: 229 Cal.App.4th 658 (4th Dist. Div. 1 Sept. 9, 2014)(D064120), *petition for review granted* (Dec. 10, 2014)(S221980)

Plaintiffs sought a permit from the California Coastal Commission to demolish a broken erosion control structure and construct a new seawall to help protect their beach front home. The Commission granted the permit subject to several conditions, including a permit duration of 20 years, and a recorded deed stating that plaintiffs elected to comply with the conditions in order to build seawall. Though plaintiffs raised objections to the conditions at the Commission hearings, they nevertheless recorded the deed restrictions and constructed the seawall. At the same time, they filed this litigation arguing that the conditions exceeded the Commission's authority and amounted to a taking. The Court of Appeal upheld the Commission's actions, concluding that plaintiffs waived their right to challenge the permit when they accepted the conditions and constructed the project. In so ruling, the court relied on the longstanding maxim, "He who takes the benefit must bear the burden." The court also concluded that the 20-year permit duration did not amount to an unconstitutional taking. The Supreme Court has agreed to review several

May 13, 2015

issues, including: (1) Whether plaintiffs could appeal the project conditions while also accepting the permit and building the project; and (2) Whether issuing a permit that would expire in 20 years amounted to an unconstitutional taking. CSAC will file a brief on the first issue.

Martin v. Inland Empire Utilities Agency

Unpublished Decision of the Fourth Appellate District, Division Two, 2015 Cal.App.Unpub.LEXIS 2003 (4th Dist. Div. 2 Mar. 19, 2015)(E057871), *request for publication pending* (filed Apr. 22, 2015)(S225855)

Plaintiff, a prior manager with the Inland Empire Utilities Agency, sued the agency for retaliation and other unfair employment practices. Plaintiff's counsel produced numerous documents during discovery containing privileged and confidential communications between the agency and its counsel, but refused to return the documents to the agency. The agency filed a motion to disqualify plaintiff's counsel on ethical grounds. The trial court ordered counsel to return the documents but denied the motion for disqualification. The agency appealed and in an unpublished opinion, the Fourth District reversed, concluding the trial court's reliance on counsel's assertion that the documents were irrelevant and would not be used further in the litigation was unreasonable. The court found the agency was at risk for suffering future damage and, therefore, plaintiff's counsel should have been disqualified. CSAC's publication request is pending.

Montgomery County, MD v. FCC

Pending in the Fourth Circuit Court of Appeals (filed Mar. 6, 2015)(15-1240)

In October 2014, the Federal Communications Commission issued new wireless tower siting rules implementing Section 6409(a) of the Middle Class Tax Relief and Job Creation Act of 2012, which provides in part that "a State or local government may not deny, and shall approve, any eligible facilities request for a modification of an existing wireless tower or base station that does not substantially change the physical dimensions of such tower or base station." CSAC, working with other local government organizations, submitted comments during the rule-making process concerning certain definitions in 6409(a) and the procedural requirements for processing permits at the local level. Ultimately, the FCC did not use the definitions recommended by the local government coalition and adopted a 60-day "shot clock" for processing eligible facilities requests. Montgomery County, Maryland, has filed a Petition for Review in the Fourth Circuit challenging the FCC's order. Another group of local governments, including the California Cities of Los Angeles, Ontario, Redwood City and San Jose, have also file a Petition for Review in the D.C. Circuit. CSAC has followed a brief in support of the local governments challenging the regulation, and also submitted significant comments before the FCC.

May 13, 2015

San Diegans for Open Government v. Goldsmith

Pending in the Fourth Appellate District, Division One (filed Apr. 30, 2015)(D067969)

Plaintiff submitted a Public Records Act request seeking the emails of the San Diego City Attorney for a four year period. The City Attorney was a member of the League of California Cities Legal Advocacy Committee (LAC), and thus his emails included those sent from the League's counsel with information and documents related to the Committee's work advising the League on whether to participate in litigation. The City Attorney argued that the LAC emails were exempt from disclosure as privileged documents, but the trial court disagreed and ordered all of the LAC emails to be disclosed. The League has filed a writ petition seeking to prevent disclosure for its attorney communications, and CSAC will file a brief in support.

South Pasadena Police Officers' Assn. v. City of South Pasadena

Unpublished Opinion of the Second Appellate District, 2015

Cal.App.Unpub.LEXIS 1664 (2d Dist. Mar. 9, 2015)(B254176), *request for publication pending* (filed Apr. 7, 2015)(S225588)

In this unpublished opinion, the Second Appellate District addresses when an MOU creates vested rights to retiree medical benefits. The opinion goes into detail concerning how an MOU might expressly create a vested right. It also goes on to explain how and when extrinsic evidence can be used to establish a vested right to benefits. Applying this analysis to the present case, the court concluded that the particular MOU at issue did not create a vested right to 100% retiree medical benefits after the MOU's expiration. CSAC's publication request is pending.

CSAC Board of Directors Report – 5.28.15

- 1. Partnership Program Update:** We are steady at 63 partners and are still in selling season. Even though there has been some shuffling, we have added three new Premier partners and one new Executive partner since our last report in February. Here is how we currently stand:
 - 24 Premier Partners (New 2015: CA Clean Power, Election Systems & Software, Alliant, CGI, and CSAC–EIA who will be moving to Premier in July)
 - 6 Executive Partners (New 2015: California First, Molina Healthcare, and others considering)
 - 33 Associate Partners (New 2015: AARP, ESRI, Dewberry Architects, inContact, and Northrop Grumman Aerospace Systems)
- 2. Regional Meetings:** These one day regional events are designed to bring together our members and leaders from regional counties, our CSAC Executive and Advocacy Team members and our Premier and Executive level partners. Panels and round table discussions help foster the sharing of information and creative solutions critical to excellent county governance.
 - San Bernardino – January 22 COMPLETED. We had over 50 in attendance, 6 counties participated as we discussed HHS, Cap and Trade, Live Well San Diego, and Public/Private partnerships with DLR.
 - Northern California Counties – March 12 COMPLETED. We had 12 counties in attendance and 35 total attendees. We discussed AB 109 growth funding, county IT oversight and strategic planning, and finished the day with a great CAO panel.
 - We are considering other CSAC Regional Meetings for 2015, in August and October. Locations TBD.
- 3. 2014-15 budget year summary:** The overall profit of the CSAC Partnership Program for the 2014-15 budget year is tracking at just over \$400,000 and much higher than previously anticipated. This is much improved over the profit in fiscal year 2013-2014 of \$30,000. Our goal for 2015-2016 is to continue to grow the program profit by 20%.

Thank you again for your support of our Partnership Program.

Respectfully submitted,

Jim

Jim Manker
CSAC Director of Corporate Relations

Premier Partners (as of 5.1.2015)**1. Alliant Insurance Services, Inc.**

Nazie Arshi, Senior Vice President
1301 Dove St. Suite 200
Newport Beach, CA 92660
(949) 660-8110
narshi@alliant.com
www.alliant.com

2. Argyle Security

Buddy Johns, President & CEO
12903 Delivery Drive
San Antonio, TX 78247
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3. Ascendian Healthcare Consulting

Jef S. Williams, Chief Operating Officer
2424 Professional Drive
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4. California Clean Power

Peter Rumble, CEO
50 Santa Rosa Ave, Suite 420
Santa Rosa, CA 95405
(707) 623-9933
prumble@cacleanpower.com
www.cacleanpower.com

5. California Health & Wellness

Brianna Lierman, Esq.
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**6. California Statewide Communities
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2999 Oak Road, Suite 710
Walnut Creek, CA 94597
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mlapierre@cacommunities.org
www.cacommunities.org

7. CGI

Luis Quinonez, Partner, Consultant
1215 K Street, #1000
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8. Coast2Coast Rx

Marty Dettelbach, Chief Marketing Officer
335 Felspar Way
Cary, NC 27518
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marty@c2crx.com
www.coast2coastrx.com

9. Dell | Enterprise Solutions Group

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10. DLR Group

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Sacramento, CA 95811
(310) 804-7997
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www.dlrgroup.com

11. Dominion Voting Systems

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12. Election Systems & Software

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13. The Geo Group

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15. HP

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16. Kaiser Permanente

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17. Microsoft Corporation

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18. Nationwide Retirement Solutions

Rob Bilo, Regional Vice President
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www.nrsforu.com

19. Pacific Gas & Electric Company

Joe Wilson, Local Government Relations
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20. Renovate America, HERO Program

Mark Rodgers, Vice President Government Relations
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www.heroprogram.com

21. Southern California Edison

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22. Synoptek

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23. U.S. Communities

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24. Vanir Construction Management, Inc.

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1. CaliforniaFIRST

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2. Molina Healthcare

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www.molinahealthcare.com

3. Optum

Margaret Kelly, National VP, Government
Education and Labor
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4. Recology

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50 California Street, 24th Floor
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5. UnitedHealthcare

Anthony Campbell, MHA, Sales Vice
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6. Waterman & Associates

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Associate Partners (as of 5.1.2015)

1. AARP

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1415 L St. Suite 960
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2. AT&T

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1150 South Olive Street, Suite 2803
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3. BI Incorporated

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4. CGL Companies

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6. Corrections Corporation of America

Brad Wiggins, Senior Director, Site Acquisition
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7. CSAC Excess Insurance Authority

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8. Dewberry Architects, Inc.

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9. Employee Relations Inc.

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431 North Brand Boulevard, Suite 308
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10. Enterprise Holdings

Lisa Holmes, State of CA Contract Manager
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11. ESRI

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12. HdL Companies

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13. HDR

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14. Hospital Council of Northern & Central California

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15. Hospital Association of San Diego and Imperial Counties

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17. Johnson & Johnson

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18. Kitchell

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19. Liebert Cassidy Whitmore

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20. Northrop Grumman Aerospace Systems

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21. OPEX Corporation

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22. Opterra Energy Services

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23. PARS

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24. Psynergy Programs, Inc.

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25. Raymond James

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26. RBC Capital Markets, LLC

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27. Towers Watson

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28. Sierra

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29. Sierra West Group, INC.

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30. Union Pacific Railroad

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31. Union Supply Group

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32. Wells Capital Management

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33. Xerox Corporation

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May 28, 2015

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California
95814

Telephone
916.327-7500

Facsimile
916.441.5507

To: CSAC Board of Directors

From: Graham Knaus, Director of Operations and Member Services

Re: IRS Form 990

In October of 2013, the Executive Committee approved a policy establishing the process for review and submission of the IRS Form 990. The Form 990 is required by the IRS to be filed annually by nonprofit mutual benefit corporations including CSAC. The intent of the Form 990 is for the IRS to collect information about activities, revenues, and expenses to ensure continued status as a tax-exempt entity.

The Form 990 will be completed annually and submitted to the Executive Committee for approval. Once approved by the Executive Committee, it will be provided to the Board.

For the 2013-14 fiscal year, the Form 990 was approved by the Executive Committee on April 9, 2015 and is attached as an informational item.

Return of Organization Exempt From Income Tax
 Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except private foundations)
 Do not enter Social Security numbers on this form as it may be made public.
 Information about Form 990 and its instructions is at www.irs.gov/form990.

Department of the Treasury
Internal Revenue Service

A For the 2013 calendar year, or tax year beginning 7/01, 2013, and ending 6/30, 2014

B Check if applicable: <input type="checkbox"/> Address change <input type="checkbox"/> Name change <input type="checkbox"/> Initial return <input type="checkbox"/> Terminated <input type="checkbox"/> Amended return <input type="checkbox"/> Application pending	C County Supervisors Association of Calif. 1100 K Street #101 Sacramento, CA 95814	D Employer identification number 94-6000551	E Telephone number 916 327-7500
F Name and address of principal officer: <u>Matt Cate</u> Same As C Above		G Gross receipts \$ <u>9,164,236.</u> H(a) Is this a group return for subsidiaries? Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> H(b) Are all subsidiaries included? Yes <input type="checkbox"/> No <input type="checkbox"/> (If 'No,' attach a list. (see instructions))	
I Tax-exempt status: 501(c)(3) <input checked="" type="checkbox"/> 501(c) (<u>4</u>) (insert no.) <input type="checkbox"/> 4947(a)(1) or <input type="checkbox"/> 527		H(c) Group exemption number	
J Website: <u>www.csac.counties.org</u>		K Form of organization: <input checked="" type="checkbox"/> Corporation <input type="checkbox"/> Trust <input type="checkbox"/> Association <input type="checkbox"/> Other	
L Year of formation: <u>1911</u>		M State of legal domicile: <u>CA</u>	

Part I Summary

	1 Briefly describe the organization's mission or most significant activities: <u>Advance local effective govt.</u>			
Activities & Governance	2 Check this box <input type="checkbox"/> if the organization discontinued its operations or disposed of more than 25% of its net assets.			
	3 Number of voting members of the governing body (Part VI, line 1a).....	3		61
	4 Number of independent voting members of the governing body (Part VI, line 1b).....	4		61
	5 Total number of individuals employed in calendar year 2013 (Part V, line 2a).....	5		95
	6 Total number of volunteers (estimate if necessary).....	6		61
	7a Total unrelated business revenue from Part VIII, column (C), line 12.....	7a		232,662.
	7b Net unrelated business taxable income from Form 990-T, line 34.....	7b		-36,990.
Revenue	8 Contributions and grants (Part VIII, line 1h).....	Prior Year	Current Year	
	9 Program service revenue (Part VIII, line 2g).....	3,550,000.	3,300,000.	
	10 Investment income (Part VIII, column (A), lines 3, 4, and 7d).....	4,259,970.	5,006,872.	
	11 Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e).....	11,085.	15,320.	
	12 Total revenue - add lines 8 through 11 (must equal Part VIII, column (A), line 12).....	8,170,499.	8,547,274.	
Expenses	13 Grants and similar amounts paid (Part IX, column (A), lines 1-3).....	115,000.	105,000.	
	14 Benefits paid to or for members (Part IX, column (A), line 4).....			
	15 Salaries, other compensation, employee benefits (Part IX, column (A), lines 5-10).....	5,910,781.	6,047,420.	
	16a Professional fundraising fees (Part IX, column (A), line 11e).....			
	b Total fundraising expenses (Part IX, column (D), line 25) ▶			
	17 Other expenses (Part IX, column (A), lines 11a-11d, 11f-24e).....	2,666,671.	2,446,555.	
18 Total expenses. Add lines 13-17 (must equal Part IX, column (A), line 25).....	8,692,452.	8,598,975.		
19 Revenue less expenses. Subtract line 18 from line 12.....	-521,953.	-51,701.		
Net Assets or Fund Balances	20 Total assets (Part X, line 16).....	Beginning of Current Year	End of Year	
	21 Total liabilities (Part X, line 26).....	8,388,758.	8,461,003.	
	22 Net assets or fund balances. Subtract line 21 from line 20.....	4,890,715.	5,014,661.	

Part II Signature Block

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

Sign Here	Signature of officer	Date			
	Type or print name and title.				
Paid Preparer Use Only	Print/Type preparer's name	Preparer's signature	Date	Check <input type="checkbox"/> if self-employed	PTIN P00052634
	Firm's name	Debbie McCardle Ask, C.P.A.		Firm's EIN 94-2329070	
	Firm's address	3416 American River Drive, #A		Phone no. (916) 488-2460	
	Sacramento, CA 95864				

May the IRS discuss this return with the preparer shown above? (see instructions) Yes No

2015 CSAC Calendar of Events

January

15 CSAC Executive Committee, Sacramento County

February

19 CSAC Board of Directors Meeting, Sacramento County

10:00am – 1:30pm, CSAC Conference Center, 1020 11th Street, 2nd Floor, Sacramento, CA 95814

21-25 NACo Legislative Conference, Washington, D.C.

April

9 CSAC Executive Committee Meeting, Los Angeles County

15-17 CSAC Finance Corporation Meeting, Sonoma County

May

27-28 CSAC Legislative Conference, Sacramento County

28 CSAC Board of Directors Meeting, Sacramento County

12:15pm – 4:00pm, CSAC Conference Center, 1020 11th Street, 2nd Floor, Sacramento, CA 95814

July

10-13 NACo Annual Conference, Mecklenburg County/Charlotte, North Carolina

August

6 CSAC Executive Committee Meeting, Sacramento County

September

3 CSAC Board of Directors Meeting, Sacramento County

10:00am – 1:30pm, CSAC Conference Center, 1020 11th Street, 2nd Floor, Sacramento, CA 95814

October

7-9 CSAC Executive Committee Retreat, Location TBD

December

1-4 CSAC 121st Annual Meeting, Monterey, Monterey County

3 CSAC Board of Directors Meeting, Monterey, Monterey County

2:00pm – 4:00pm, Monterey Conference Center, One Portola Plaza, Monterey, CA 93940

16-18 CSAC Officers' Retreat, Napa County

As of 5/13/15