

CALIFORNIA STATE ASSOCIATION OF COUNTIES
BOARD OF DIRECTORS
May 15, 2014
CSAC Conference Center, Sacramento

M I N U T E S

Presiding: David Finigan, President

1. ROLL CALL

Alameda	Keith Carson	Placer	Jim Holmes
Alpine	Terry Woodrow	Plumas	Lori Simpson
Amador	Louis Boitano	Riverside	absent
Butte	Bill Connelly	Sacramento	Phil Serna
Calaveras	absent	San Benito	Margie Barrios
Colusa	Kim Vann	San Bernardino	James Ramos
Contra Costa	John Gioia	San Diego	Greg Cox
Del Norte	Finigan/Sullivan	San Francisco	absent
Fresno	absent	San Joaquin	Bob Elliott
Glenn	John Viegas	San Luis Obispo	Bruce Gibson
Humboldt	Mark Lovelace	San Mateo	absent
Imperial	absent	Santa Barbara	Doreen Farr
Inyo	Jeff Griffiths	Santa Clara	Ken Yeager
Kern	Leticia Perez	Santa Cruz	Bruce McPherson
Kings	absent	Shasta	Leonard Moty
Lake	absent	Sierra	Lee Adams
Lassen	absent	Siskiyou	Ed Valenzuela
Los Angeles	absent	Solano	Linda Seifert
Madera	absent	Sonoma	Efren Carrillo
Marin	Susan Adams	Stanislaus	Vito Chiesa
Mariposa	John Carrier	Sutter	absent
Mendocino	Dan Gjerde	Tehama	Robert Williams
Merced	Hub Walsh (via audio)	Trinity	Judy Pflueger
Modoc	Jim Wills	Tulare	Steve Worthley
Mono	Larry Johnston	Tuolumne	Evan Royce
Monterey	absent	Ventura	Kathy Long
Napa	Brad Wagenknecht	Yolo	Matt Rexroad
Nevada	Ed Scofield	Yuba	Andy Vasquez
Orange	John Moorlach	Advisors:	David Twa & James Fincher

The presence of a quorum was noted.

2. APPROVAL OF MINUTES

The minutes of February 20, 2014 were approved as previously mailed.

3. MARTY DETTELBACH, COAST2COAST

Marty Dettelbach, Chief Marketing Officer for Coast2Coast Rx, addressed the Board regarding benefits of the discount prescription drug program that his company offers to counties. Coast2Coast is a CSAC Corporate Premier partner.

4. GOVERNOR'S MAY REVISION OF THE 2014-15 STATE BUDGET

Michael Cohen, Director of the State Department of Finance, presented highlights of the Governor's May Revise. He noted that there are three unanticipated areas of cost pressures that affect the May Revise: 1) increases in Medi-Cal costs associated with the expansion under the Affordable Care Act; 2) increased costs of drought management; and 3) additional costs associated with CalPERS and CalSTRS pension obligations. Cohen announced that the Governor's Rainy Day Fund proposal was sent to the November ballot today. He indicated that the Governor is committed to paying off the "Wall of Debt" by 2017-18, including an additional \$100 million to repay a portion of existing mandate reimbursement claims that were owed to local governments prior to 2004. Cohen also noted that the May Revise contains funds to stabilize the court system. Details on all provisions related to counties are contained in the CSAC Budget Action Bulletin which was distributed to Board members.

5. CSAC REPORT ON GOVERNOR'S MAY REVISION

Staff reported that the CSAC Officers recently met with the Governor and his principal policy and fiscal staff to discuss specific budget requests which include additional funding for public safety realignment and related services as well as an accelerated repayment of mandates. CSAC Board members were encouraged to contact their legislators to voice support for CSAC's state budget priorities.

6. CSAC FINANCE CORPORATION REPORT

Nancy Parrish, Executive Director of the CSAC Finance Corporation, provided an update on recent Finance Corp. activities. The CalTRUST program achieved its goal of hitting \$2 billion in assets. The onsite employee medical clinic program that was launched late last fall has been successful in a number of counties and a clinic in Kings County is scheduled to open in August. The US Communities Purchasing Program usage grew 20% among California counties in 2013.

7. INSTITUTE FOR LOCAL GOVERNMENT (ILG) UPDATE

Supervisor Greg Cox, ILG President, introduced the new Executive Director of ILG. His name is Martin Gonzalez. He replaces JoAnne Speers who retired last month to pursue a teaching career at the University of San Francisco. Cox noted that ILG was formed in 1955 and CSAC became a formal partner in 2004. In addition to publishing books and reports on issues of interest to local governments, ILG provides ethics training to county supervisors during CSAC conferences.

8. CSAC POLICY COMMITTEE REPORTS

Housing, Land Use & Transportation. Supervisor Phil Serna, Chair of the CSAC Housing, Land Use & Transportation policy committee, provided a report from the committee meeting held this morning. The committee heard a number of presentations including a report from Business, Consumer Services and Housing Agency Secretary Anna Caballero regarding statewide housing challenges. Representatives from the Governor's Office of Planning and Research and the Strategic Growth Council reported on Proposition 84 planning grants, SB 375, and updating the CEQA guidelines. In addition, the committee would like to host a workshop during this year's CSAC Annual Conference regarding options for a "Vehicle Miles Traveled" fee, in light of legislative activities and growing interest in a vehicle miles traveled fee to replace the gas tax. No action items were brought forward for Board of Directors' consideration.

Health & Human Services. Supervisor Kathy Long, Chair of the CSAC Health & Human Services policy committee, presented the report from this morning's committee meeting. The committee received a report on the Medi-Cal Drug Waiver from the CA Department of Health Services and a representative

from the Western Center on Law and Poverty outlined a report on childhood poverty. It was noted that California has the highest childhood poverty rate in the U.S. Supervisor Dave Roberts spoke to the committee about Alzheimer's research. No action items were brought forward for Board consideration.

Government Finance & Operations. Supervisor Bruce Gibson, Chair of the CSAC Government Finance & Operations policy committee, presented the report from this morning's meeting. The committee received reports on Infrastructure Finance Districts, Election Technology, Mandates in the Budget, and a presentation by CalPERS on Pensionable Compensation. No action items were brought forward for Board consideration.

Agriculture & Natural Resources. Supervisor Linda Seifert, Chair of the CSAC Agriculture & Natural Resources policy committee, presented the report from this morning's meeting. The primary focus of the meeting was to review two legislative proposals related to groundwater management. One proposal was developed by the California Water Foundation and the other by the Association of California Water Agencies (ACWA). Both proposals recommend stronger integration of groundwater considerations into the local planning and land use decision-making process. The Governor is expected to weigh in next week on his position on water policy. In addition, Supervisor Salud Carbajal presented a report on the President's Task Force on Climate Change, CSAC staff reported on a number of legislative bills, and a representative from the California Product Stewardship Council discussed extended producer responsibility related to pharmaceuticals. No action items were brought forward for Board consideration.

Administration of Justice. Supervisor John Viegas, Vice-Chair of the CSAC Administration of Justice policy committee, presented the report from this morning's meeting. The committee received a legislative update, an update on the Victim Compensation Program, a report on health care in the criminal justice system and a California county project update from the Pew Results First Initiative. No action items were brought forward for Board consideration.

9. PROPOSED CSAC BUDGET FOR FY 2014-15

Supervisor Vann, CSAC Treasurer, outlined revenues and expenses included in the draft CSAC Budget for FY 2014-15, as contained in the briefing materials. Revenue highlights include: additional \$100,000 in Corporate Associates program; additional \$18,000 in expansion of CSAC Institute; and \$45,000 increase in Annual Meeting revenue due to venue. Expense highlights include: \$250,000 in Ransohoff Building tenant improvements; \$170,000 reduction in Annual Meeting expenses; addition of videographer position; no staff salary increases; \$50,000 reduction in support of local government educational grants; and \$15,000 reduction in legislative bill service.

It was noted that the Ransohoff Building tenant improvements are expected to be much less than what is projected in the budget. Therefore, CSAC can increase the amount of contributions to the Institute for Local Government (ILG) and CCS Partnership.

Motion and second to adopt the CSAC Budget for FY 2014-15, as modified to increase contributions to ILG and CCS. Motion carried unanimously.

10. PROPOSED LITIGATION COORDINATION BUDGET FOR FY 2014-15

Jennifer Henning, Executive Director of the County Counsels Association, presented the proposed CSAC Litigation Coordination Program budget for FY 2014-15, as contained in the briefing materials. She noted that the proposed budget contains a 9.5% increase to cover costs associated with a new part-time attorney, increased health insurance and retirement costs, and a 2% salary increase. The CSAC Executive Committee previously considered the proposed budget and recommended adoption by the Board of Directors.

Motion and second to adopt the proposed Litigation Coordination Program budget for FY 2014-15 as presented. Motion carried unanimously.

11. REALIGNMENT ALLOCATION COMMITTEE (RAC) UPDATE
David Twa, CAOAC President, presented an update on recent work of the Realignment Allocation Committee (RAC). The committee has been meeting monthly to continue its deliberations on developing an AB 109 distribution formula that would be effective beginning in 2014-15. It was reported that the programmatic funding base will be 7% less in 2014-15 than in the current year, based on the state's assumption that those exiting state prison onto a county probation caseload would decline as counties house more felons locally. CSAC is pursuing advocacy strategies to secure additional funding to mitigate the drop in allocation.

12. CSAC CORPORATE PARTNERS UPDATE
The CSAC Corporate Partnership program currently has 54 members. Revenues are up \$266,000 over last year. A mini-summit was held recently in Tehama County to bring together Northern California county officials and some corporate partners to discuss issues such as water, public safety, and business solutions for county governance. The next mini-summit will be held on June 19 in Fresno County.

13. INFORMATION ITEMS
Reports on the CSAC Litigation Program and the CSAC Institute for Excellence in County Government were contained in the briefing materials, but no presentation was made.

Two new CSAC staff members were introduced – Jenai Wyatt, Realignment Training and Conference Center Coordinator, and Michelle Gibbons, Health & Human Services Analyst.

The CSAC Women's Leadership Network held its first meeting this morning. It was well attended and included a presentation by Assembly Speaker Toni Atkins.

Meeting adjourned.