

CALIFORNIA STATE ASSOCIATION OF COUNTIES
EXECUTIVE COMMITTEE
October 6 - 7, 2011
Lodge at Torrey Pines, La Jolla, San Diego County, CA

A G E N D A

Presiding: John Tavaglione, President

Thursday, October 6

8:30am Buffet Breakfast

9:00am SPECIAL SESSION

1. Joint Discussion with CSAC Finance Corporation Board Members enclosure

10:00am Break

10:15am PROCEDURAL ITEMS

2. Roll Call Page 1

3. Approval of Minutes of August 11, 2011 Page 2

10:30am ACTION ITEMS

4. 2011 Realignment: Constitutional Protections Page 6
Paul McIntosh, CSAC Executive Director

5. Consideration of Distinguished Service & President Award Recipients Page 7
President Tavaglione

6. Consideration of Circle of Service Award Nominees Page 11
Paul McIntosh

7. Request for Affiliate Membership Page 18
Jim Wiltshire, CSAC staff

8. Review of Audited Financial Statements for FY 2010-11 Page 20
Supervisor Kathy Long, CSAC Treasurer

12:00pm Lunch

1:00pm DISCUSSION ITEMS

9. Status Report on CSAC Projects Page 36
Paul McIntosh

10. Achievement Report for 2011 enclosure
Paul McIntosh

3:00pm INFORMATION ITEMS

11. CSAC Communications Update Page 41
David Liebler, CSAC staff

12. Federal Legislative Report
Karen Keene, CSAC staff

4:00pm Adjourn for the Day

Friday, October 7

8:30am Buffet Breakfast

9:00am **CLOSED SESSION WITH CSAC EXECUTIVE DIRECTOR**

13. Discussion on CSAC Employee Salaries and Retirement Benefits

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14. Discussion on 2011 Achievements

15. Evaluation of CSAC Executive Director
President Tavaglione

16. Other Items

12:00pm Adjourn

CALIFORNIA STATE ASSOCIATION OF COUNTIES
EXECUTIVE COMMITTEE
2011

President: John Tavaglione, Riverside
1st Vice President: Mike McGowan, Yolo
2nd Vice President: David Finigan, Del Norte

Urban Section

Greg Cox, San Diego
Don Knabe, Los Angeles
Liz Kniss, Santa Clara
John Moorlach, Orange
Gary Ovitt, San Bernardino
Susan Peters, Sacramento
Kathy Long, Ventura (alternate)

Suburban Section

Valerie Brown, Sonoma
Henry Perea, Fresno
Steve Worthley, Tulare
Joni Gray, Santa Barbara (alternate)

Rural Section

John Viegas, Glenn
Terry Woodrow, Alpine
Lyle Turpin, Mariposa (alternate)

Advisors

Nancy Watt, CAOAC President & Napa County Executive Officer
Marshall Rudolph, County Counsels Assoc. Past President & Mono Co. Counsel

CALIFORNIA STATE ASSOCIATION OF COUNTIES
EXECUTIVE COMMITTEE

August 11, 2011
Langham Hotel, Pasadena, Los Angeles County

MINUTES

Presiding: John Tavaglione, President

1. ROLL CALL

John Tavaglione, President	Valerie Brown, Sonoma
Mike McGowan, 1 st Vice Pres. (via audio)	Henry Perea, Fresno (via audio)
David Finigan, 2 nd Vice Pres.	Steve Worthley, Tulare
Greg Cox, San Diego	Joni Gray, Santa Barbara
Don Knabe, Los Angeles	John Viegas, Glenn (via audio)
Liz Kniss, Santa Clara	Terry Woodrow, Alpine
John Moorlach, Orange	Marshall Rudolph, Advisor (via audio)
Gary Ovitt, San Bernardino	
Susan Peters, Sacramento (via audio)	
Kathy Long, Ventura	

2. APPROVAL OF MINUTES

The minutes of May 5, 2011 were corrected to reflect that Nancy Watt participated in the meeting via audio.

3. PRESENTATION BY SUPERVISOR DON KNABE

Supervisor Don Knabe presented a PowerPoint presentation regarding Los Angeles County's budget. He indicated that over 80% of the budget goes towards mandated programs. The number of General Relief recipients has increased dramatically and is expected to rise further when AB 109 is implemented. Los Angeles County has begun focusing efforts to move the population that cannot work into the federal SSI program. Currently, 70% of the state's General Relief population lives in Los Angeles County.

A question was raised regarding Los Angeles County's decision to implement "Laura's Law" which is legislation that gives counties in California the option to implement an Assisted Outpatient Treatment Demonstration Project. The program assists residents with a history of mental health issues, through an agreement with the courts, with medication support, money management, substance abuse services, housing assistance, physical health care and a variety of other services. Los Angeles County hosts an annual "Stepping In" conference to highlight this program. Supervisor Knabe stated that his office has additional information on the project and would forward it to Executive Committee members.

4. CSAC COUNTY EMPLOYEE HEALTH BENEFIT COOPERATIVE UPDATE

Paul McIntosh provided a status report on the CSAC County Employee Health Benefit Cooperative. He indicated that CSAC received four proposals in response to the RFP that was sent to prospective firms, seeking their expertise in conducting the feasibility study and then setting up the program, if approved. The four respondents were: The Segal Group, Aon-Hewitt, Jones Management Consulting, Inc. and Alliant. The proposals are

currently being reviewed by county administrators from counties who have expressed an interest in the program, county pool administrators from Riverside County, as well as the pool administrator for the Texas Association of Counties. Each of these will review the proposals independently with their conclusions compiled for a final recommendation which will be brought to the Board of Directors in December.

5. NATIONAL ASSOCIATION OF COUNTIES (NACo) REPORT

Supervisor Valerie Brown provided a report from the NACo Annual Meeting held recently in Portland Oregon. Linda Langston from Iowa was elected NACo 2nd Vice President. Supervisor Liz Kniss was reappointed as Chair of the NACo Health Steering. NACo has formed a new committee on International Economic Development and Supervisor Brown was appointed to serve. All in all, 22 California county officials were appointed to key leadership positions within NACo.

A discussion ensued regarding ways to increase California's involvement in NACo, including the importance of active participation by NACo Board members. President Tavaglione indicated that a discussion on this topic will take place at the Officers' Retreat in December. Staff was directed to communicate with counties regarding the importance of NACo participation and also compile a list of supervisors interested in serving on the NACo Board of Directors prior to the Officers' retreat.

6. REALIGNMENT UPDATE

The 2011-12 state budget includes the Governor's proposal to realign many public safety and health and human services programs to counties, along with funding to do so. However, constitutional protection for the realignment was not included in the budget. Staff indicated that while the Administration is still supportive of a constitutional amendment, the path to getting a measure on the November 2012 ballot is unclear. To place a constitutional amendment on the ballot by the Legislature requires a 2/3 vote. There does not appear to be sufficient support in the Legislature for such a measure.

2011 Realignment is funded with a newly dedicated portion of existing state sales tax revenue and Vehicle License Fees (VLF). A number of trailer bills have been enacted to achieve the realignment of programs and funding. AB 118 outlines the financial structure for allocating funds to a variety of programs for realignment. Counties are directed to create local accounts in which to deposit funds. Specific allocations by program are, for the most part, prescribed in the statute and, in some instances, capped at a specific dollar amount. SB 89 also contains a variety of provisions related to financing the realigned programs. Specifically, SB 89 dedicates the amount of VLF remaining after the allocation to 1991 realignment programs to the Local Law Enforcement Services Account to fund local public safety programs previously funded through the temporary dedication of 0.15% of VLF, which lapsed on July 1.

Staff described implementation of AB 109. Beginning October 1, counties will begin taking responsibility for low-level offenders previously housed in state prisons. Each county will be required to create a community corrections plan to show how money received from the state will be spent. A CAOAC working group has developed a formula for distributing the statewide funds among counties. CSAC, the Sheriffs Association and the Probation Officers Association received money from the state budget to provide training to counties. The three associations have been developing a training program that will showcase local implementation of evidence-based practices that could help alleviate the burden of

increased population management and fiscal constraints. Those training sessions will begin in the fall.

It was suggested that CSAC pursue legislation that would allow counties to contract with private firms to house prisoners. In addition, concern was expressed regarding the 4/5 vote requirement for a board of supervisors to reject a community corrections plan. Staff was directed to advocate for supervisor or CAO representation on the Community Corrections Partnership Executive Committee established by statute.

Staff also outlined a number of outstanding issues related to realignment of health & human services programs including the interaction between the 1991 realignment and the 2011 realignment, how to structure the realignment of substance abuse programs (the only HHS program not realignment in 1991), technical details of the CalWORKS realignment, additional statutory flexibility, and other HHS policy changes.

Staff requested direction on how to proceed with fiscal structure and protections. A lengthy discussion ensued regarding the opportunity, path and timing to secure a constitutional amendment. The consensus was that since the Legislature is very unlikely to take up this issue, it should be brought directly to the voters. Staff was directed to provide an analysis of pros and cons of running an initiative as well as suggestions for potential partners. Staff was further directed to begin to explore all viable options for counties to achieve the constitutional protections promised by the Governor and necessary for counties to make realignment successful. The CSAC officers will meet with the Governor to gauge his support for an initiative.

7. CSAC INSTITUTE FOR EXCELLENCE IN COUNTY GOVERNMENT EXECUTIVE LEADERSHIP SYMPOSIUM

The CSAC Institute for Excellence in County Government's Governing Council has decided to offer an executive-level Executive Leadership Symposium which will bring world-class leadership experts together with selected county supervisors and executives for a three-day county leadership practices experience. Participants will work to develop a sense of direction and vision; a mechanism for innovation and creativity; a resource for invigorating organizational culture; and building leadership capacity in collaboration and adoptive change to evaluate current challenges and make progress on enduring problems. The symposium will be held in San Jose on February 16 – 18, 2012. Executive Committee members were encouraged to participate.

8. CSAC FINANCE CORPORATION REPORT

Nancy Parrish, the newly-appointed Executive Director of the CSAC Finance Corporation, presented an update on the CSAC Finance Corporation. She announced that two new Board members were recently appointed – Susan Muranishi, Alameda County Administrator and Steve Juarez with UC State Governmental Relations. The next meeting of the CSAC Finance Corporation Board will be held on September 15-16. The California Statewide Communities Development Authority (CSCDA) has formed a subcommittee to look at roles and responsibilities of CSAC and the League of California Cities in response to the State Treasurer's request for an audit of CSCDA. A large part of the Finance Corporation's revenues are generated through CSCDA. Applications are currently being accepted for the Total Road Improvement Program (TRIP) that allows public agencies to borrow against their future gas tax revenues to fund street projects.

9. OTHER ITEMS

With the retirement of Tony Oliveira from the CalPERS Board of Directors, the search has been on for a replacement to represent local government interests. This appointment requires a very large time commitment as well as the requirement that the official come from a CalPERS county. Therefore, it has been difficult to find a county supervisor to fill the slot. Recently, Paul McIntosh met with Bill Slaton, a current member of the Sacramento Municipal Utility District Board of Directors, who is interested in the position. McIntosh indicated that Slaton could bring a local government perspective to the CalPERS Board and asked for Executive Committee support of his nomination. Staff was directed to write a letter to the Governor recommending Bill Slaton for the CalPERS Board appointment.

McIntosh announced that CSAC has been approached by Coast2Coast Rx, soliciting CSAC's endorsement of their discount drug card program, in exchange for payment of a royalty for the endorsement and marketing support. This company competes directly with CVS/Caremark drug program which is endorsed by NACo. However, CVS/Caremark does not offer a royalty arrangement. McIntosh requested authorization to enter into an agreement with Coast2Coast RX for endorsement of the program in exchange for royalty payments. After a lengthy discussion, no action was taken. Staff was directed to bring this item to the Board of Directors for action in September with additional details.

The briefing materials contained informational reports on the CSAC Corporate Associates program and the CSAC Litigation Coordination program.

Meeting adjourned.



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September 20, 2011

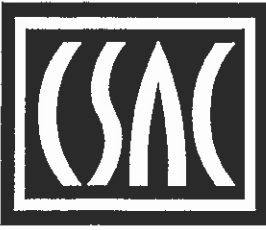
To: Members, CSAC Executive Committee
From: Paul McIntosh, Executive Director
Re: 2011 Realignment: Constitutional Protections

At the September 8, 2011 Board of Directors meeting there was considerable discussion on achieving constitutional protections for the programs impacted by the 2011 realignment package adopted in this year's state budget. Staff provided a memorandum outlining the various paths to achieving those protections. Direction was given to keep all options open (CSAC initiative, Governor's coalition, legislative and a political litigation strategy) and proceed with the steps necessary to qualify a measure for the 2012 November election.

There are various activities that have built in timelines that required staff to begin work immediately. These activities include polling, developing Title and Summary, fund raising, signature gathering, qualifying, and campaigning. CSAC has engaged Bicker, Castillo & Fairbanks to manage the polling effort. I anticipate polling results to be completed and presented at the Executive Committee meeting.

County Counsels have worked on drafting a ballot measure consistent with, yet technically modified, SCA 1 X1 that was introduced earlier this year. CSAC has also engaged the services of the law office of Nielson, Merksamer, Parrinello, Gross & Leoni, LLP to provide their constitutional initiative expertise. A final Title and Summary will be developed in late October after polling information is sufficiently culled and incorporated into the initiative to increase the measure's likely success on the ballot. I anticipate the actual filing of Title and Summary to occur in the beginning of November.

Recommendation: Upon review of the polling results, authorize the CSAC officers, to direct staff to file Title and Summary with the Attorney General.



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Date: September 20, 2011
To: CSAC Executive Committee
From: Paul McIntosh, Executive Director
Re: Distinguished Service Award Recipient Recommendation for 2011

Each year the Executive Committee is asked to select a recipient for the CSAC Distinguished Service Award which is presented during the CSAC annual conference. This award is given to the person or persons who have made the greatest contribution to the improvement of government in California, particularly as it relates to county government.

A list of past recipients is attached for your reference, as well as a list of President's Award recipients.

For 2011, staff is recommending the following nominee for your consideration. You are welcome to select a different recipient if you so choose.

Peter Detwiler
Consultant
Senate Local Government Committee

Peter Detwiler has worked for the Senate Local Government Committee (now Senate Governance and Finance) for nearly 30 years. He has long been known and respected as the legislative expert on many local government issues, particularly including land use and redevelopment. His long experience, intelligence, and attention to detail gave him a store of historical minutiae second to none, and his integrity gained him a reputation beyond reproach. Peter retired after session this year.

Distinguished Service Award	
2010	
Tony Oliveira	Kings County Supervisor
Valerie Brown	Sonoma County Supervisor
Roy Ashburn	Senator
Juan Arambula	Assembly Member
Dan Wall	Los Angeles County Legislative Advocate
2009	
No Award Given	
2008	
Diane Cummins	Chief Fiscal Policy Advisor, Office of Senate President Pro Tempore
Casey Kaneko	Executive Director, Urban Counties Caucus
Darrell Steinberg	Senator, President Pro Tem
2007	
Jim Tilton	California of Corrections and Rehabilitation
Will Kempton	California Department of Transportation
Roger Niello	Assembly Member
Ellen Corbett	Senator
2006	
Don Perata	Senator
Bob Dutton	Senator
Wes Chesbro	Senator
Joseph Dunn	Senator
Bruce McPherson	Secretary of State
2005	
Denise Ducheny	Senator
Hector De La Torre	Assembly Member
Pat Dando	Office of Governor Schwarzenegger
Terry Watt	Planning Consultant, California Environmental Protection Agency
2004	
Tom Torlakson	Senator
Jackie Speier	Senator
Cassandra Pye	Office of Governor Schwarzenegger
2003	
Herb Wesson	Assembly Speaker
John Laird	Assembly Member
Steve Westly	State Controller
Joe Canciamilla	Assembly Member
Keith Richman	Assembly Member
2002	
Betty Yee	Chief Deputy of the State Department of Finance
Darrell Steinberg	Assembly Member
Dick Dickerson	Assembly Member

Maurice Johannessen	Senator
Alan Lowenthal	Assembly Member
2001	
Tom Torlakson	Senator
Kevin Murray	Senator
Charles Poochigian	Senator
John Dutra	Assembly Member
Dean Florez	Assembly Member
George Runner	Assembly Member
2000	
Dion Aroner	Assembly Member
1999	
John Burton	Senator
1998	
Bill Leonard	Assembly Member
1997	
Pete Wilson	Governor of California
Bill Lockyer	Senator
Curt Pringle	Assembly Member
Martha Escutia	Assembly Member
1996	
William Hauck	Chairman, California Constitution Revision Commission
1995	
No Award Given	
1994	
Elizabeth Hill	Legislative Analyst
1993	
Patrick Johnston	Senator
1992	
John Vasconcellos	Assembly Member
1991	
Barbara Shipnuck	Monterey County Supervisor
Sunne McPeak	Contra Costa Supervisor
Clark Channing	Merced County Administrative Officer
1990	
Russ Gould	Director, California State Department of Finance

President's Award	
2010	
Ron George	Chief Justice
2009	
Lois Wolk	Senator
2008	
Arnold Schwarzenegger	Governor, State of California
2007	
Steve Keil	CSAC Staff
2006	
Cynthia Bryant	Gov., Schwarzenegger's Chief Deputy Leg. Secretary
Sunne McPeak	Secretary of Business, Transportation and Housing Agency
2005	
Dianne Feinstein	United States Senator
2004	
Arnold Schwarzenegger	Governor, State of California
2003	
DeDe Alpert	Senator
2002	
Bill & Pat Dennison	Supervisor Plumas County
Pat Leary	CSAC Staff
2001	
Dave Cox	Assembly Member
Justice Daniel Kremer	Chair, Gov. Trial Court Facilities Task Force
2000	
Dede Alpert	Senator
John Burton	Senator
1999	
Steve Peace	Senator
John Longville	Assembly Member
1998	
Helen Thomson	Assembly Member
1997	
Phil Isenberg	Assembly Member
Tom Torlakson	Assembly Member
Dick Sweeney	Assembly Member
1996	
Victor Pottorff	CSAC Staff
1991	
Pete Wilson	California Governor



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Date: September 20, 2011
To: CSAC Executive Committee
From: Paul McIntosh, Executive Director
Re: Circle of Service Award Recipient Recommendations for 2011

CSAC staff has developed a list of eight individuals who we believe are deserving of the Circle of Service Award this year. This award was created to recognize county officials, department directors, staff, Corporate Associates and other CSAC members whose service to CSAC and counties sets them apart. You are welcome to choose from this list or select your own recipients for this award.

Susan Adams

Marin County Supervisor

Supervisor Adams has assisted CSAC in numerous areas over the years. This past year, she has been CSAC's representative on the Judicial Council's Task Force for Criminal Justice Collaboration on Mental Health Issues and served as the Co-Chair of the CSAC Medical Marijuana Working Group. Supervisor Adams has also readily made herself available at the last minute and expertly testified before Congress on behalf of CSAC and NACo on federal fee to trust reform and the *Carcieri v. Salazar* decision.

Larry Combs

Merced County Executive Officer

Mr. Combs is retiring this year after a long and distinguished career as a county administrator. He currently is the Merced County Executive Officer after serving as Sutter County's chief executive for 26 years. Mr. Combs has been a longtime contributor to CSAC, and for the past few years he has also served as a commissioner for the California Statewide Communities Development Authority.

Mike Johnson

Retired Solano County Administrator

Mr. Johnson retired earlier this year after a long and distinguished career as a county administrator, last serving in Solano County. Beyond assisting CSAC on a variety of complex issues over the years, he served on the CSAC Finance Corporation Board of Directors.

Susan Mauriello

Santa Cruz County Administrative Officer

Ms. Mauriello serves as Chair of the County Administrative Officers Association's Realignment Allocation Committee. In this role, she has worked closely with county administrators and CSAC staff on realignment policy and technical implementation issues in 2011, including first-year funding allocations for AB 109 and the fiscal structure for 2011 Realignment. She is also Past President of the CAOAC. She was also recently appointed to the Corrections Standards Authority by Governor Brown.

Rick Robinson

Merced County Chief Executive Officer

Mr. Robinson is retiring later this year after serving in the public sector for more than 30 years. He is a long-tenured county administrator and has knowledge and expertise has assisted counties across the state. Mr. Robinson also served on the Governing Council for the CSAC Institute for Excellence in County Government, helping to develop the program's core competencies.

Pat Leary

Yolo County Assistant County Administrator

Ms. Leary, a former CSAC legislative representative, has served as advisor to the CAOAC Realignment Allocation Committee and been an active contributor to realignment discussions in 2011. She was recently appointed Chief Deputy Director of the state Department of Social Services by Gov. Jerry Brown

Donna Vaillancourt

San Mateo County Director of Human Resources

Ms. Vaillancourt has been an active contributor to the CSAC Institute for Excellence in County Government, serving on the Governing Council as well as an instructor for courses involving human resources. She is also an active member of the County Personnel Administrators Association of California (CPAAC) and regularly provides input to CSAC staff on pending legislation.

Bryan Barr

Sr. Government Relations Representative, Pacific Gas & Electric Company

2011 CSAC Corporate Associates President

During the past year, Bryan served as President of the CSAC Corporate Associates program, devoting significant time to this important private sector program. Mr. Barr and his organization, Pacific Gas & Electric Company, are also long-time supporters of California Counties and CSAC.

We have also attached a list of previous Circle of Service Award winners for your reference.

Circle of Service Awards	
2010	
Rich Gordon	San Mateo County Supervisor
Roger Dickinson	Sacramento County Supervisor
Mike McGowan	Yolo County Supervisor
Greg Cox	San Diego County Supervisor
Helen Thomson	Yolo County Supervisor
Kathy Long	Ventura County Supervisor
Matt Rexroad	Yolo County Supervisor
Jane Dolan	Butte County Supervisor
Liz Kniss	Santa Clara County Supervisor
Tom Ford	CSAC Finance Corporation President
Michael Brown	Santa Barbara County Executive Officer
William McIntosh	Retired Lassen County Public Works Director (In Memoriam)
Verne Davis	Retired Merced County Public Works Director (In Memoriam)
John Sansone	San Diego County Counsel
Steven Woodside	Sonoma County County Counsel
Bruce Goldstein	Sonoma County Assistant County Counsel
Graham Knaus	Director of Administrative Services, Placer County Health and Human Services Department
Kirk Kleinschmidt	Kaiser Permanente, Corporate Associates President
2009	
Terry Woodrow	Alpine County Supervisor
Mary McMillan	San Mateo Deputy County Manager
Bob Fisher	CSAC Corporate Associates President
Pat DeChellis	Los Angeles County Deputy Public Works Director
	Contra Costa Public Works Department
	Santa Barbara County Public Works Department
2008	
Jeff Morris	Trinity County Supervisor
Connie Conway	Tulare County Supervisor and former CSAC President
Harry Ovitt	San Luis Obispo County Supervisor and former CSAC President
Tim Smith	Sonoma County Supervisor and former CSAC President
Matt Rexroad	Yolo County Supervisor
John Tavaglione	Riverside County Supervisor
Diane Dillon	Napa County Supervisor

John Gioia	Contra Costa County Supervisor
John Silva	Solano County Supervisor
Stephen L. Weir	Contra Costa County Clerk-Recorder
Michele Vercoutare	Court Facility Transfer Coordinator, Los Angeles County Chief Executive Office
Stuart Wells	Franchise & Fees Manager, The Gas Company/SDG&E Sempra Energy Utilities
Andy Morgan	Vanir Construction Management
Michael Rattigan	Santa Clara County Lobbyist
Greg Norton	Executive Director, Regional Council of Rural Counties (RCRC)
2007	
Helen Thomson	Yolo County Supervisor
Mike McGowan	Yolo County Supervisor
Tony Oliveira	Kings County Supervisor
Bill Powers	Plumas County Supervisor
Brian Lee	San Mateo County Deputy Director of Public Works
Mike Silacci	CSAC Corporate Associates Member, AT&T
Rob Bilo	CSAC Corporate Associates Member, Nationwide Retirement Solutions (NRS)
Roger Dickinson	Sacramento County Supervisor
Bran Dahle	Lassen County Supervisor
Rubin Lopez	CSAC Staff
2006	
Bob Fletcher	Vanir Construction Management
David Janssen	Los Angeles County Chief Administrative Officer
Richard Vinson	Amador County Supervisor
Gary Freeman	Glenn County Supervisor
Gary Gilbert	Madera County Supervisor
Bill Dennison	Plumas County Supervisor
Greg Cox	San Diego County Supervisor
Duane Kromm	Solano County Supervisor
Ray Simon	Stanislaus County Supervisor
Peter Rei	Tuolumne County Public Works Director
Pat DeChellis	Los Angeles, Deputy Director Public Works
Chantal Saipe	San Diego County, Tribal Liaison
Jennifer Henning	Executive Director, County Counsels' Association of California
Mary Wallers	CSAC Corporate Associate Member, Sierra West Group
Lori Panzino	San Bernardino County, Division Chief, Franchise Programs

Paul Valle-Reistra	City of Walnut Creek, City Attorney
Rich Esposito	Consultant, Sacramento Metro Cable Television Commission
David Wooten	San Joaquin County Supervisor and Chair, Assistant County Counsel, County Counsel Working Group on Court Facilities
Kathleen Felice	Los Angeles County, Principal Deputy County Counsel
Diane Bardsley	San Diego County and Member, Special Assistant County Counsel, County Counsel Subcommittee on SB 10
Tom Ford	Sonoma County Treasurer
Norma Lammers	CSAC Finance Corporation Executive Director
2005	
Mitch Avallon	Contra Costa County Deputy Director - Flood Control
Dennis Barry	Contra Costa County Community Development Dept.
Valerie Brown	Sonoma County Supervisor
John Freedman	Analyst, Los Angeles County Chief Administrator's Office
Steve Keil	CSAC Legislative Coordinator
Rod Kubamoto	Los Angeles County Assistant Deputy Director
Andrea McGarvey	San Luis Obispo County Auditor-Controller's Office
Michael Moele	Buck Consultants
Bob Palmer	Retirement Administrator San Joaquin County
Dave Solaro	Retired CSAC Board Member & Administration of Justice Policy Committee chair
John Sweeten	Contra Costa County Chief Administrative Officer
Steve Swendiman	Managing Director, NACo Financial Services
Kit Wall	Local Government Relations, Eli Lilly & Company
2004	
John Garcia	Kaiser Permanente
Jim Lindholm	San Luis Obispo County Counsel
Steve Woodside	Sonoma County Counsel
Steve Basha	Yolo County Counsel
Jim Beall	Santa Clara County Supervisor
Tonly Oliveira	Kings County Supervisor
Duane Kromm	Solano County Supervisor
Susan Adams	Marin County Supervisor
Rose Jacobs Gibson	San Mateo County Supervisor
Brad Clark	Alameda County Registrar of Voters
Mischelle Townsend	Riverside County Registrar of Voters
Julie Rodewald	San Luis Obispo County Clerk Recorder
Ann Reed	Shasta County Registrar of Voters

Richard Robinson	Stanislaus County Administrative Officer
Walt Ekard	San Diego County Administrative Officer
Larry Parrish	Riverside County Executive Officer
Stephen Shane Stark	Santa Barbara County County Counsel
John Sansone	San Diego County Counsel
Robert Ryan , Jr.	Sacramento County Counsel
Buck Belventhal	San Francisco City & County
Ray Fortner	Los Angeles County
Richard Arrow	Marin County Auditor
Rod Dole	Sonoma County Counsel Auditor-Controller
Mark Norris	Sacramento County Finance Department
Steve Ybarra	Contra Costa County
Dave Elledge	Santa Clara County
Valerie Brown	Sonoma County Supervisor
Paul Stein	Calaveras County Supervisor
Frank Mecca	County Welfare Directors Association
Pete Parkinson	Sonoma County Planning Director
2003	
Kevin Juhring	US Communities
Tom Ford	Sonoma County Treasurer
Ann Reed	Shasta County Clerk/Registrar of Voters
Roger Dickinson	Sacramento County Supervisor
Bill McClure	Los Angeles County Workers' Compensation Specialist
Shane Stark	Santa Barbara County Counsel
Mike McGowan	Yolo County Supervisor
Denny Bungarz	Glenn County Supervisor
Governor's Trial Court Facilities Task Force Members:	
Patricia Clarke	Shasta County Supervisor
Joan Smith	Siskiyou County Supervisor
John Tavaglione	Riverside County Supervisor
2002	
Tom Stallard	CSAC 1st Vice President
Gary Freeman	CSAC Immediate Past President
Barbara Pletz	San Mateo County Emergency Services Director
Jim Beall	Santa Clara County Supervisor
Kathleen Bales Lange	Tulare County Counsel
John Sansone	San Diego County Counsel
Frank Mecca	County Welfare Directors Association Executive Director
Richard Fitzmaurice	SBC/Pacific Bell Director of External Affairs
Cathy Bando	RBC Dain Rauscher Director of Public Finance

Chris McKenzie	League of California Cities Executive Director
Catherine Smith	California Special Districts Association Executive Director
Ted James	Kern County Planning Director
Tony Hughes	Salomon Smith Barney
2001	
Paul Stein	Calaveras County Supervisor
Larry Parrish	Riverside CEO
Les Brown	Former CSAC President
Governor's Trial Court Facilities Task Force Members:	
Jerry Eaves	San Bernardino County Supervisor
Gary Freeman	Glenn County Supervisor
Charles Smith	Orange County Supervisor
Robert Doyle	County Sheriff
David Janssen	Los Angeles CAO
Steven Woodside	Sonoma County Counsel
2000	
Trish Clarke	Shasta County Supervisor
David Janssen	Los Angeles Chief Administrative Officer
Tom Bamert	Amador County Supervisor
Governor's Trial Court Employees Task Force Members:	
Steve Perez	Kern County Supervisor and CSAC President
John Sansone	San Diego County Counsel
Larry Spikes	Kings County Administrative Officer
Charles Plummer	Alameda County Sheriff
Pete Kutras	Santa Clara County Asst. Executive Officer
1999	
Muriel Johnson	Sacramento County Supervisor
Dean Shores	Imperial County Supervisor
Keith Carson	Alameda County Supervisor
Tom Stallard	Yolo County Supervisor
Jim Beall	Santa Clara County Supervisor
Jim Lindholm	San Luis Obispo County Counsel
Jay Hull	Napa County Administrator
Owne Clements	San Francisco Deputy Attorney
Terry Henry	Fresno County Dept. of Health Services
Louise McGinnis	Corporate Associate Member
Art Goulet	Ventura County Public Works Director
John Michaelson	San Bernardino County Social Services Director
Penelope Clarke	Sacramento County Public Protection/Human Assis. Admin.



California Mental Health Services Authority

3043 Gold Canal Drive, Suite 200
Rancho Cordova CA 95670

Office: 916 859 4800
Fax: 916 859 4805
www.calmhsa.org

August 26, 2011

Mr. John Tavaglione, President
California State Association of Counties
1100 K Street, Suite 101
Sacramento, CA 95814

Mr. Tavaglione,

Please accept this letter as a formal request of the California State Association of Counties (CSAC) consideration of accepting the California Mental Health Services Authority (CalMHSA), as an affiliate member.

CalMHSA is an independent administrative and fiscal government agency focused on the efficient delivery of California Mental Health projects. Current membership is 39 members and 40 counties, with an additionally four counties who have assigned funds and planning on becoming members soon. CalMHSA continues to strive towards a membership of all 58 California Counties, and the two cities Mental Health programs and are in the midst of active dialogue today.

CalMHSA's history may be short, but its success is not. After six months of formation, we began as a Joint Powers Authority on July 1, 2009 with six county members. Taking nine months to execute contract with the California Department of Mental we had immediate funding access to \$160m of Statewide Prevention and Early Intervention funds—Suicide Prevention, Stigma and Discrimination Reduction, and Student Mental Health. In six more months we went through stakeholder process, plan development, and eventual plan approval by Mental Health Services Oversight and Accountability Commission. Today we are putting to work nearly \$140m of these funds through 25 contracts. Our efficient and effective management of this process and use of resources, has achieved significant outcomes.

CalMHSA notes the following significant benefits of an affiliate member relationship with CSAC, such as:

- Establishing an official connection with CSAC and CalMHSA from the standpoint CSAC represents county Board of Supervisors and CalMHSA approval is through each county Board of Supervisors.
- CalMHSA views itself as a success story. With the significant changes to county and local control, CalMHSA may be a venue for further related use and benefit of counties. Our ability to connect with CSAC at this level to vet those possibilities is exciting to us.

- CalMHSA will officially demonstrate and publicize the connection with CSAC through various means, such as press releases, CalMHSA website, letterhead and CSAC annual conferences, etc.
- Further clarifying and connecting the relationships to demonstrate the triage of effort between CSAC, CMHDA and CalMHSA. CMHDA is currently an affiliate of CSAC and CalMHSA as an affiliate will validate the relationships.
- Heighten value and importance of CSAC and our relationship between county Boards of Supervisors and Mental Health Directors.
- Access to participate in CSAC Policy Committees
- As appropriate, be mutual resources

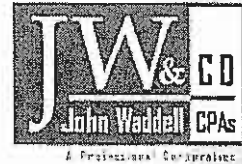
CalMHSA aspires to officially memorialize our relationship through an affiliation with CSAC to demonstrate the unity. We feel that collectively many additional benefits can derived that are not stated above and look forward to discovering together. Again, we appreciate your time and consideration.

Please contact me for information or answer any questions CSAC and/or its Board may have.

Respectfully,

A handwritten signature in black ink, appearing to read "John E. Chaquica". The signature is fluid and cursive, with a long horizontal stroke at the end.

John E. Chaquica, CPA, MBA, ARM
Executive Director



September 15, 2011

To the Board of Directors
California State Association of Counties

We have audited the financial statements of California State Association of Counties for the year ended June 30, 2011, and have issued our report thereon dated September 15, 2011. Professional standards require that we provide you with the following information related to our audit.

Our Responsibility under U.S. Generally Accepted Auditing Standards

As stated in our engagement letter dated July 13, 2011, our responsibility, as described by professional standards, is to express an opinion about whether the financial statements prepared by management with your oversight are fairly presented, in all material respects, in conformity with U.S. generally accepted accounting principles. Our audit of the financial statements does not relieve you or management of your responsibilities.

Planned Scope and Timing of the Audit

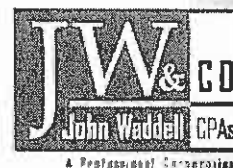
We performed the audit according to the planned scope and timing previously communicated to management.

Significant Audit Findings

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by California State Association of Counties are described in Note 1 to the financial statements. The new accounting policies that were adopted are also described in Note 1. The application of existing policies was not changed during 2011. We noted no transactions entered into by the Organization during the year for which there is a lack of authoritative guidance or consensus. There are no significant transactions that have been recognized in the financial statements in a different period than when the transaction occurred.

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Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. We noted no sensitive estimates affecting the financial statements.

The financial statements and disclosures were drafted by us with management's oversight.

Difficulties Encountered in Performing the Audit

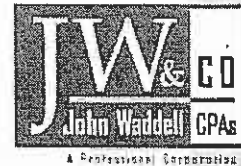
We encountered no difficulties in dealing with management in performing and completing our audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are trivial, and communicate them to the appropriate level of management. The majority of the adjustments made were standard closing entries to convert the financial statements from the modified cash basis to the accrual basis of accounting, such as to record depreciation, reclassify principal debt payments, etc. The non-closing audit adjustments that were recorded and their impact on the change in net assets were as follows:

	Increase (Decrease) Change in Net Assets
Correct receipt of Pyramid receivable	\$ (17,833)
To write off bad debts and record allowance	(23,970)
Record receivable for Litigation dues	9,813
	<u>\$ (31,990)</u>

In addition, an entry to record tax expense on the accrual basis rather than the cash basis and reflect prepaid income taxes of \$18,650 was not recorded as it was not considered material to the financial statements taken as a whole.



Disagreements with Management

We are pleased to report that no disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated September 15, 2011.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the Organization's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

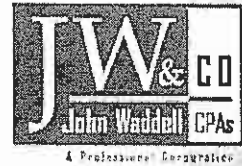
Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the Organization's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

This information is intended solely for the use of Board of Directors and management of California State Association of Counties and is not intended to be and should not be used by anyone other than these specified parties.

John Waddell & Co., CPAs

September 15, 2011



INDEPENDENT AUDITORS' REPORT

Board of Directors
California State Association of Counties
Sacramento, California

We have audited the accompanying Statements of Financial Position of California State Association of Counties as of June 30, 2011 and 2010, and the related Statements of Activity and Cash Flows for the years then ended. These financial statements are the responsibility of the Association's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of California State Association of Counties as of June 30, 2011 and 2010, and the changes in its net assets and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The supplemental schedule on page 13 is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements taken as a whole.

John Waddell + Co., CPAs

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CALIFORNIA STATE ASSOCIATION OF COUNTIES

**Statements of Financial Position
June 30, 2011 and 2010**

ASSETS

	<u>2011</u>	<u>2010</u>
Cash and cash equivalents	\$ 1,953,118	\$ 1,707,061
Accounts receivable, net of allowance of \$9,570 in 2011	573,688	672,437
Prepaid expenses	172,053	175,871
Due from affiliates	29,063	23,385
Deferred charges	12,499	17,187
Funds held in custodial accounts	563,569	853,377
Property and equipment, net	<u>6,403,097</u>	<u>6,664,816</u>
	<u>\$ 9,707,087</u>	<u>\$ 10,114,134</u>

LIABILITIES AND NET ASSETS

Liabilities		
Accounts payable	\$ 305,985	\$ 353,489
Deferred revenue	343,898	228,520
Accrued vacation and vested sick leave	275,316	257,174
Funds held in custodial accounts	563,569	853,377
Tenant security deposits	25,672	26,557
Notes payable	<u>3,095,054</u>	<u>3,294,474</u>
Total Liabilities	<u>4,609,494</u>	<u>5,013,591</u>
Net Assets		
Unrestricted	<u>5,097,593</u>	<u>5,100,543</u>
	<u>\$ 9,707,087</u>	<u>\$ 10,114,134</u>

See accompanying notes to financial statements.

CALIFORNIA STATE ASSOCIATION OF COUNTIES

**Statements of Activity
For the Years Ended June 30, 2011 and 2010**

	<u>2011</u>	<u>2010</u>
Revenue		
Membership dues	\$ 2,799,506	\$ 2,799,506
Litigation dues	274,794	279,032
Corporate associates dues	69,000	58,500
SB-90 dues	79,825	91,640
Program revenue	129,325	126,590
Meetings	471,840	496,766
Management fees	316,886	341,195
Rental income, net of expenses of \$745,905 and \$776,337	8,912	25,427
Magazine	-	84,600
Investment income	26,908	32,005
Contributions	3,000,000	3,596,339
Institute	76,209	64,220
Other revenue	139,530	128,851
	<u>7,392,735</u>	<u>8,124,671</u>
Expenses		
Program Services		
Legislative affairs	2,917,746	2,900,328
Meetings	499,850	555,418
Litigation program	294,513	272,807
SB-90	69,413	79,687
Federal policy development	214,706	222,955
Magazine	-	229,545
Corporate associates	141,475	141,591
Public affairs	400,624	408,135
Institute	264,163	175,631
Other programs	302,273	371,814
	<u>5,104,763</u>	<u>5,357,911</u>
Supporting Services		
General administration	2,290,922	2,295,938
	<u>7,395,685</u>	<u>7,653,849</u>
Change in Net Assets	(2,950)	470,822
Net Assets, Beginning of Year	<u>5,100,543</u>	4,629,721
Net Assets, End of Year	<u>\$ 5,097,593</u>	<u>\$ 5,100,543</u>

See accompanying notes to financial statements.

CALIFORNIA STATE ASSOCIATION OF COUNTIES

**Statements of Cash Flows
For the Years Ended June 30, 2011 and 2010**

	2011	2010
Cash Flows from Operating Activities		
Change in net assets	\$ (2,950)	\$ 470,822
Noncash items included in change in net assets:		
Depreciation and amortization	362,460	359,935
Loss on disposal of equipment	2,969	4,094
Changes in certain operating assets and liabilities		
Accounts receivable	98,749	(31,751)
Prepaid expenses and deferred charges	8,506	(4,574)
Accounts payable	(47,504)	(190,206)
Deferred revenue	115,378	(128,901)
Other liabilities	17,257	69,158
	554,865	548,577
Cash Flows from Investing Activities		
Purchases of property and equipment	(103,710)	(121,204)
Changes in due to/from related entities	(5,678)	(29,586)
	(109,388)	(150,790)
Cash Flows from Financing Activities		
Payments on notes payable	(199,420)	(173,556)
	(199,420)	(173,556)
Net Increase in Cash and Cash Equivalents	246,057	224,231
Cash and Cash Equivalents, Beginning of Year	1,707,061	1,482,830
Cash and Cash Equivalents, End of Year	\$ 1,953,118	\$ 1,707,061

See accompanying notes to financial statements.

CALIFORNIA STATE ASSOCIATION OF COUNTIES

Notes to Financial Statements June 30, 2011 and 2010

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization

The California State Association of Counties (CSAC) is an association representing the elected county supervisors of the 58 California counties. The purpose of the association is to advance the vital public interest in effective, efficient and responsive local government. Its principal function is representation of county government before the California legislature, administrative agencies and the federal government.

Estimates

Management uses estimates and assumptions in preparing financial statements. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported revenues and expenses. Actual results could differ from those estimates.

Cash and Cash Equivalents

Cash and cash equivalents consist of unrestricted demand deposits, certificates of deposit regardless of maturity if early withdrawal penalties have been waived, and investments in the CalTrust short-term portfolio. Investments in the CalTrust short-term portfolio are stated at fair value as determined by quoted market prices of the underlying assets (Level One inputs in the fair value hierarchy established by generally accepted accounting principles).

Accounts Receivable

Accounts receivable are stated at the amount management expects to collect from outstanding balances. Management provides for uncollectible amounts through a provision for bad debt expense and an adjustment to a valuation allowance based on its assessment of the current status of individual accounts. Receivables are determined to be past due based on contractual terms and are charged off when management determines the receivable will not be collected.

Property and Equipment

Property and equipment purchases in excess of \$1,000 are capitalized at cost. Depreciation is provided on a straight-line basis over the estimated useful lives, which range from 3 to 40 years. Contributions that must be used to acquire property and equipment are reported as restricted contributions. CSAC reports expirations of donor restrictions when the acquired assets are placed in service and reclassifies temporarily restricted net assets to unrestricted net assets at that time.

Funds Held in Custodial Accounts

CSAC performs accounting services for the County Administrative Officers (CAO) and Case Data System Management (CDSM). Cash owned by these organizations, which is included in CSAC's pooled cash accounts, is recorded as offsetting assets and liabilities.

CALIFORNIA STATE ASSOCIATION OF COUNTIES

Notes to Financial Statements June 30, 2011 and 2010

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

Membership Dues

Membership dues, which are calculated based on each county's population, are paid annually and are recorded when received. Dues collected for the next fiscal year are recorded as deferred revenue.

Contributions

Contributions received are recorded as unrestricted, temporarily restricted, or permanently restricted support depending on the existence and/or nature of any donor restrictions. Contributions that are temporarily restricted are then reclassified to unrestricted net assets upon satisfaction of the restrictions. Contributions whose restrictions are met within the same fiscal year are recorded as unrestricted.

Functional Allocation of Expenses

The costs of providing the various programs and other activities have been summarized on a functional basis in the Statement of Activity. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

Income Taxes

CSAC is exempt from income taxes under Section 501(c)(4) of the Internal Revenue Code. It is subject to tax on its unrelated business income. Income taxes are provided for the tax effects of unrelated business income reported in the financial statements. There are no significant differences between amounts reported in the financial statements and amounts reported in the tax return; accordingly, there are no deferred taxes.

CSAC believes that it has appropriate support for any tax positions taken, and as such, does not have any uncertain tax positions that are material to the financial statements. CSAC's federal and state tax returns are subject to examination by the IRS and FTB generally for three and four years, respectively, after they were filed.

Concentrations and Credit Risk

Approximately 12% of the membership dues are paid by one county. Approximately 77% of the accounts receivable are due from the nine largest customers. A substantial portion of cash and cash equivalents is not federally insured.

Subsequent Events

Subsequent events have been evaluated through the date the financial statements were available to be issued, which was September 15, 2011.

CALIFORNIA STATE ASSOCIATION OF COUNTIES

**Notes to Financial Statements
June 30, 2011 and 2010**

NOTE 2 PROPERTY AND EQUIPMENT

Property and equipment consist of the following at June 30, 2011 and 2010:

	<u>2011</u>	<u>2010</u>
Land	\$ 1,960,384	\$ 1,960,384
Buildings	2,414,805	2,414,805
Building improvements	4,214,271	4,201,404
Tenant improvements	1,070,982	1,070,982
Equipment	649,927	585,615
Furniture	<u>253,212</u>	<u>252,412</u>
	10,563,581	10,485,602
Less accumulated depreciation	<u>(4,160,484)</u>	<u>(3,820,786)</u>
	<u>\$ 6,403,097</u>	<u>\$ 6,664,816</u>

Depreciation expense amounted to \$362,532 (FYE 10/11) and \$359,935 (FYE 09/10).

NOTE 3 NOTES PAYABLE

Notes payable at June 30, 2011 and 2010 consist of the following:

	<u>2011</u>	<u>2010</u>
Note payable to Bank of Sacramento, monthly principal and interest payments of \$21,826, interest at the 5-year treasury rate plus 2.2%, adjustable every 5 years, the interest rate was 7.05% (FYE 10/11 and FYE 09/10), secured by a deed of trust, due February 2017.	\$ 1,460,134	\$ 1,623,996
Note payable to Bank of Sacramento, monthly principal and interest payments of \$12,427, interest at the 5-year treasury rate plus 2.2%, adjustable every five years, the interest rate was 6.77% (FYE 10/11 and FYE 09/10), secured by a deed of trust, due December 2016.	<u>1,634,920</u>	<u>1,670,478</u>
	<u>\$ 3,095,054</u>	<u>\$ 3,294,474</u>

CALIFORNIA STATE ASSOCIATION OF COUNTIES

**Notes to Financial Statements
June 30, 2011 and 2010**

NOTE 3 NOTES PAYABLE – CONTINUED

Future minimum payments on notes payable are as follows:

2012	\$	159,740
2013		171,252
2014		183,595
2015		196,828
2016		211,015
Thereafter		<u>2,172,624</u>
	\$	<u>3,095,054</u>

Total interest incurred on notes payable amounted to \$211,614 (FYE 10/11) and \$237,478 (FYE 09/10). Interest paid in cash amounted to \$211,614 (FYE 10/11) and \$237,478 (FYE 09/10).

The notes payable to Bank of Sacramento contain various covenants and financial requirements.

NOTE 4 LEASES AND OTHER COMMITMENTS

CSAC leases five copiers under operating leases. Total rent expense from these leases amounted to \$42,611 (FYE 10/11) and \$44,285 (FYE 09/10).

CSAC leases office space to tenants in its office building at 1100 K Street. CSAC also leases the majority of the Ransohoff building to tenants. Future minimum rental income under noncancelable operating leases is as follows:

	<u>Ransohoff</u>	<u>1100 K St.</u>	<u>Total</u>
2012	\$ 405,606	\$ 142,730	\$ 548,336
2013	354,763	115,770	470,533
2014	18,806	63,901	82,707
2015	-	2,432	2,432
	<u>\$ 779,175</u>	<u>\$ 324,833</u>	<u>\$ 1,104,008</u>

The lease agreement with the brewery tenant in the Ransohoff building provides for percentage rent in addition to the base rent included above, based on 6.25% of gross sales less base rent as defined.

CALIFORNIA STATE ASSOCIATION OF COUNTIES

**Notes to Financial Statements
June 30, 2011 and 2010**

NOTE 4 LEASES AND OTHER COMMITMENTS – CONTINUED

The cost and carrying amount of property held for leasing as of June 30, 2011 are as follows:

	<u>Ransohoff</u>	<u>1100 K St.</u>	<u>Total</u>
Land, building & improvements	\$ 6,246,761	\$ 2,948,357	\$ 9,195,118
Accumulated depreciation	<u>(1,696,122)</u>	<u>(1,700,290)</u>	<u>(3,396,412)</u>
	<u>\$ 4,550,639</u>	<u>\$ 1,248,067</u>	<u>\$ 5,798,706</u>

The cost and carrying amount of property held for leasing as of June 30, 2010 are as follows:

	<u>Ransohoff</u>	<u>1100 K St.</u>	<u>Total</u>
Land, building & improvements	\$ 6,238,633	\$ 2,943,618	\$ 9,182,251
Accumulated depreciation	<u>(1,510,213)</u>	<u>(1,616,138)</u>	<u>(3,126,351)</u>
	<u>\$ 4,728,420</u>	<u>\$ 1,327,480</u>	<u>\$ 6,055,900</u>

CSAC has a contract for federal affairs services which was extended through December 31, 2014. Future contract payments are as follows:

2012	\$ 220,440
2013	231,480
2014	243,060
2015	124,500

NOTE 5 DEFERRED COMPENSATION

Substantially all employees are eligible to participate in a deferred compensation plan. Employees, at their sole discretion, can set aside a portion of their salary, up to the maximum amount allowed by the Internal Revenue Service. Participants can select from two investment plans, one sponsored by the Nationwide Investment Foundation and the other by Aetna Life Insurance and Annuity Company. Both plans offer various investment options. CSAC does not make contributions to the plans and incurred no expenses in connection with the plans. In accordance with the Small Business Job Protection Act, the assets are held in trust for the exclusive benefit of plan participants. Accordingly, the assets and liabilities related to the plan, which amount to \$6,781,960 (FYE 10/11) and \$5,397,180 (FYE 09/10), have not been included in these financial statements.

CALIFORNIA STATE ASSOCIATION OF COUNTIES

Notes to Financial Statements June 30, 2011 and 2010

NOTE 6 DEFINED BENEFIT PENSION PLAN

Substantially all employees are eligible to participate in the San Bernardino County Employees' Retirement Association. The San Bernardino County Employees' Retirement Association is a cost-sharing multi-employer defined benefit pension plan (the Plan) operating under the California County Employees Retirement Act of 1937 that covers substantially all employees of the County of San Bernardino, the City of Big Bear Lake, the California State Association of Counties, South Coast Air Quality Management District, the San Bernardino County Law Library, the City of Chino Hills, the Crest Forest Fire District, and the Mojave Desert Air Quality Management District and Superior Courts, collectively referred to as the "Participating Members."

Employees become eligible for membership on their first day of regular employment and become fully vested after five years. Employees are eligible for early retirement benefits upon completion of ten years of service and attaining age 50, or 30 years of service, regardless of age. Retirement benefits are calculated at 2% of final compensation for each completed year of service based on a normal retirement age of 55. The Plan also provides disability benefits to members and death benefits to beneficiaries of members.

Participating members and the employers are required to contribute a percentage of covered salary to the Plan based on the member's age at entry into the Plan and actuarial assumptions; however, CSAC pays the employees' contribution. The funding objective of the Plan is to establish contribution rates which, over time, will remain level as a percentage of payroll unless Plan benefit provisions are changed. Actuarial funding is based on the Entry Age Normal Cost Method. Under this method, the employer contribution rate provides for current cost (normal cost) plus a level percentage of payroll to amortize the Unfunded Actuarial Accrued Liability (UAAL). As of June 30, 2002, the remaining amortization period for the UAAL is 20 years for all UAAL prior to June 30, 2002. For actuarial valuation purposes, Plan assets are valued at Actuarial Value. Under this method, the assets used to determine employer contribution rates take into account market value by recognizing the differences between the actual and expected investment return over a five year period. CSAC may be liable, on termination or withdrawal from the Plan, for allocated shares of the Plan's unfunded vested benefits. CSAC currently has no intention to terminate or withdraw from the Plan.

Total contributions to the Plan amounted to \$1,127,327 (FYE 10/11) and \$1,080,595 (FYE 09/10), which represented 35% and 34% of covered payroll, respectively.

NOTE 7 RELATED-PARTY TRANSACTIONS

CSAC is affiliated with CSAC Finance Corporation (the Finance Corporation) and the California Counties Foundation (the Foundation). The Executive Director of CSAC is on the Board of Directors of both organizations. CSAC provides management, accounting and other administrative services to the Finance Corporation and to the Foundation without charge. CSAC also provides payroll services for the Finance Corporation without charge.

CALIFORNIA STATE ASSOCIATION OF COUNTIES

Notes to Financial Statements June 30, 2011 and 2010

NOTE 7 RELATED-PARTY TRANSACTIONS – CONTINUED

The Finance Corporation rents office space from CSAC on an annual basis. Rent received from the Finance Corporation amounted to \$13,950 (FYE 10/11) and \$18,600 (FYE 09/10).

The Finance Corporation advertises its programs in CSAC's magazine. Total advertising revenue from the Finance Corporation amounted to \$2,725 (FYE 10/11) and \$10,598 (FYE 09/10).

Printing revenue received from the Finance Corporation amounted to \$6,880 (FYE 10/11) and \$6,397 (FYE 09/10).

The Finance Corporation has a policy whereby CSAC can request grants of net assets in excess of the designated operating reserve. Total funds available under this policy amounted to \$521,538 (FYE 10/11) and \$205,525 (FYE 09/10). The Finance Corporation contributed \$3,000,000 (FYE 10/11) and \$3,596,339 (FYE 09/10) to CSAC.

The Finance Corporation together with the League of California Cities sponsors CalTrust, a Joint Powers Authority for the purpose of pooling and investing local agency funds. Cash and cash equivalents in CalTrust's short-term portfolio (a portion of which is classified as funds held in custodial accounts) amounted to \$2,578,825 (FYE 10/11) and \$1,956,300 (FYE 09/10).

In 1997, CSAC, the League of California Cities and the California School Boards Association formed the CCS Partnership, a nonprofit partnership. Contributions to the CCS Partnership amounted to \$75,000 (FYE 10/11 and FYE 09/10). Contributions to the Institute for Local Government, an affiliate of the League of California Cities, amounted to \$80,000 (FYE 10/11) and \$105,000 (FYE 09/10).

CSAC is affiliated with the County Counsels' Association of California (the Association). The Director of CSAC's Litigation Program is also the Executive Director of the Association. Approximately 80% of the Director's salary and benefits are funded by CSAC's Litigation Program and 20% are paid by the Association. CSAC's Litigation Program also funds a portion of two other Association staff members' salary and benefits. CSAC's Litigation Program funds 75% of the Association's office lease with a third party, which was renewed in 2007 and contains an additional renewal option for five years. The portion of the future minimum rent payments to be funded by CSAC's Litigation Program is \$17,847 (FYE 11/12).

Rent expense under the lease amounted to \$26,024 (FYE 10/11) and \$25,572 (FYE 09/10).

CALIFORNIA STATE ASSOCIATION OF COUNTIES

Notes to Financial Statements June 30, 2011 and 2010

NOTE 8 INCOME TAXES

CSAC is subject to income taxes on certain unrelated business income, primarily management fees and debt-financed income. Income tax expense for the years ended June 30, 2011 and 2010, which is included in general and administration expense, amounted to \$48,113 and \$51,797, respectively.

Cash payments for taxes amounted to \$49,479 (FYE 10/11) and \$52,799 (FYE 09/10).

CALIFORNIA STATE ASSOCIATION OF COUNTIES

Statement of Revenue and Expenses by Fund
For the Year Ended June 30, 2011

	General	Building	Corporate Membership Associates	Meetings	Litigation	CEAC	Ransohoff Building	Institute	Eliminations	Total
Revenue										
Membership dues	\$ 2,799,506	-	\$ 69,000	\$ -	\$ 274,794	\$ -	-	\$ -	-	\$ 3,143,300
SB-90 dues	79,825	-	-	-	-	-	-	-	-	79,825
Program revenue	1,200	-	-	-	-	128,125	-	-	-	129,325
Meetings	-	-	-	471,840	-	-	-	-	-	471,840
Management fees	323,158	-	-	-	-	-	-	-	(6,272)	316,886
Rental income	-	376,310	-	-	-	-	569,678	76,209	(188,956)	757,032
Institute	-	-	-	-	-	-	-	-	-	76,209
Investment income	26,908	-	-	-	-	-	-	-	-	26,908
Miscellaneous	155,823	-	2,360	-	-	-	-	-	(18,653)	139,530
Contributions	3,000,000	-	-	-	-	-	-	-	-	3,000,000
Total Revenue	6,386,420	376,310	71,360	471,840	274,794	128,125	569,678	76,209	(213,881)	8,140,855
Expenses										
Salaries	2,833,113	-	79,633	69,560	157,749	53,270	-	-	-	3,193,325
Benefits	1,583,887	-	33,906	37,207	93,744	41,591	-	-	(1,440)	1,788,895
Travel	329,231	-	-	-	-	-	-	-	-	329,231
Annual retreat	-	-	22,345	-	-	-	-	-	(5,929)	16,416
Communications	152,720	-	1,576	2,204	3,962	1,456	5,499	915	-	168,332
Utilities	-	72,422	-	-	-	-	40,078	-	-	112,500
Insurance	4,358	17,349	-	-	-	-	16,021	-	-	37,728
Publications	8,425	-	-	-	-	-	-	-	-	8,425
Legislative bill service	79,244	-	-	-	-	-	-	-	-	79,244
Membership fees	16,562	-	375	570	410	-	-	-	-	17,917
Office supplies	2,853	8	12	-	1,748	-	562	1,494	-	55,780
Postage and delivery	14,199	-	741	-	279	1,182	234	-	-	17,917
Printing	64,009	-	-	-	4,135	3,384	-	8,191	(12,724)	17,926
Repairs and maintenance	350,088	65,342	-	12,049	-	(4,483)	62,711	6,383	-	206,001
Professional services	136	66,516	356	-	-	1,306	5,815	111,555	-	535,636
Property & business tax	225,327	45,848	-	-	-	-	45,102	-	(187,516)	91,086
Rent	17,625	-	-	-	26,024	4,800	-	-	-	68,635
Public affairs	182,543	-	-	366,560	-	-	-	133,891	-	17,625
Program expenses	-	-	-	-	-	-	-	-	-	682,994
Interest expense	-	-	-	-	-	-	211,614	-	-	211,614
Depreciation	61,057	96,960	-	-	190	-	204,443	-	-	362,460
Miscellaneous	948	-	2,531	11,700	-	10,923	-	1,500	-	27,792
Management fees	-	-	-	-	6,272	-	-	-	(6,272)	-
Bad debt	61,570	-	-	-	-	-	-	-	-	61,570
Income taxes	48,113	-	-	-	-	-	-	-	-	48,113
Total Expenses	6,097,976	364,445	141,475	499,850	294,513	113,419	591,845	264,163	(213,881)	8,143,805
Excess of Revenue Over (Under) Expenses	\$ 288,444	\$ 11,865	\$ (70,115)	\$ (28,010)	\$ (19,719)	\$ 14,706	\$ (22,167)	\$ (187,954)	\$ -	\$ (2,950)



October 6, 2011

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To: John Tavaglione, President
California State Association of Counties

Executive Committee
California State Association of Counties

From: Paul McIntosh
Executive Director

Re: **Status Report – CSAC Projects**

President Tavaglione asked for a status report and budget update on several projects CSAC has undertaken this year. Specifically, there are four projects worth noting:

County Employee Health Benefits Cooperative. This is a project to explore the viability and feasibility of establishing a County Employee Health Benefits Cooperative, managed by CSAC, to provide an opportunity for member counties to have better control over their employee health care costs and program. Initially, it would be targeted at those counties currently in the PEMCHA (CalPERS) health care program, but could be expanded to include any and all counties.

In March, the Board of Directors approved moving forward with studying the feasibility of this program and appropriated \$125,000 for the study. An RFP was issued in April and consultants screened by independent reviews. The top two firms were interviewed by a panel of county representatives and AonHewitt was selected to proceed with Phase I of the project, the feasibility analysis. A Letter of Engagement has been signed with AonHewitt to proceed with the analysis and provides that the cost of this phase will not exceed \$75,000. To date, no expenses against this project have occurred. It is expected that the feasibility analysis will take 6 months to complete, with a final product ready for the spring meeting of the Board of Directors.

CSAC Institutional Property. CSAC has initiated a project to register as a trademark the CSAC brand, including CA Counties, CSAC Finance Corporation, and the CSAC Institute. Jennifer Henning, Executive Director of the County Counsel's Association is advising on the trademarking process. Costs of trademarking are minimal. In addition, CSAC has entered into a Letter of Engagement with CONSOR, a firm with significant expertise in valuing the intellectual property, or brand, of companies and corporations. CONSOR completed similar analyses for US Communities, NACo, and the Texas Association of Counties, as well as working with a broad array of Fortune 500 companies. The Letter of Engagement provides for a cost not to exceed \$100,000 for the work and a \$25,000 advance has been paid to CONSOR to begin their analysis.

CONSOR's work will provide CSAC with the factual background to negotiate endorsement fees with companies seeking CSAC's endorsement (e.g. Coast 2 Coast, etc.) and to provide significant value-added measures to the Corporate Associates program. It will also feature an opportunity to approach the CSAC Excess Insurance Authority with the goal of bringing that authority back under the umbrella of CSAC, similar to the relationship enjoyed with the CSAC Finance Corporation. It is anticipated

that the cost of this project will be recouped within the first year through endorsement fees and tax savings. The study will take approximately 6 months to complete.

Coast 2 Coast Rx Discount Drug Program. At their meeting of September 8, the Board of Directors approved the endorsement of the Coast 2 Coast Rx Discount Drug program. CSAC is negotiating an endorsement agreement with Coast 2 Coast and will begin assisting Coast 2 Coast in marketing the discount drug program to member counties. The endorsement agreement will provide for a donation to CSAC of 40 cents for every prescription filled in California through the program. This donation is on top of any sponsor fees paid to hosting counties. In June 2011, Coast 2 Coast Rx was hosted in 16 California counties and filled 40,744 prescriptions that month. Based upon an extrapolation of that level of activity, without adding new counties, CSAC could reasonably expect to receive \$250,000 in donations per year when the program is fully operational. With Board approval in September, we project \$190,000 in revenues to be received in the current year. Coast 2 Coast Rx has joined CSAC's Corporate Associates program at the platinum (\$15,000) level. These are funds that were not included in the budget adopted for the year, but they will accrue to CSAC.

Obtaining the Constitutional Protections Necessary for Realignment. The top priority for CSAC is to obtain the security of a continuous appropriation of sufficient funds for realignment in addition to protecting the realigned programs from changes by the California legislature, court cases, or federal government. The Board of Directors approved recommendations at their meeting of September 8 to keep several options of achieving these protections open. The Board did note, though, that an emphasis should be placed on proceeding with a separate initiative, sponsored by CSAC, which focused solely on those protections. In implementing the Board's direction, CSAC has launched into the exploration of a ballot campaign, be it placing a matter on the ballot through the Legislature or through the initiative process. To support that effort, CSAC has entered into a Letter of Engagement with Bicker, Castillo & Fairbanks to begin the assessment of public support for the options available. The Letter of Engagement provides for a payment of \$25,000 per month for services rendered. In addition, other professional services necessary to gauge that support are estimated to cost \$75,000 - \$80,000. These costs include outside legal counsel (Nielsen, Merksamer) and a professional polling firm (Fairbank, Maslin, Mullin and Metz). We expect this engagement to last two months before a decision on how to proceed is made.

The table below summarizes the funds committed to the above projects as well as funds either budgeted in the current year or anticipated to be received in the current year to offset expenditures.

	Revenue	Expenses	Balance
FY 2011-12 Budget			
Feasibility Analysis CEHB	\$125,000	\$75,000	\$50,000
New Capital Initiatives			
Coast 2 Coast Rx	\$205,000		
Institutional Property		\$100,000	
Bicker, Castillo & Fairbanks		\$50,000	
Polling and Legal Services		\$80,000	
Sub-Totals	\$205,000	\$230,000	\$0
Totals	\$330,000	\$305,000	\$25,000

Other Issues of Note. Relevant to the information on projects in which CSAC is engaged is information on some areas in which CSAC has been challenged. These projects include:

JLAC Audit of CSCDA. The California Statewide Community Development Authority (CSCDA) is a joint powers agreement between CSAC and the League of California Cities that establishes a conduit financing authority to provide cost-effective financial management expertise to California communities. CSCDA has been in existence since 1988 (23 years) and has issued over \$48 billion in bonded indebtedness during that period of time. These bonds have been for public infrastructure, pension obligation, cash flow management and other public-benefit projects. CSCDA also acts as a conduit for not-for-profit hospital financing, as well as affordable housing. These private activity issuers pay a fee to CSCDA which is shared with CSAC and the League as part of the sponsor agreement.

While CSCDA has been extremely successful and recognized as a leader in the industry (for instance, it was the only issuer qualified to securitize the Proposition 1A borrowing in 2009), its business model has come under attack, principally from the California Treasurer. As a conduit issuer, CSCDA has no staff. CSCDA contracts with HB Capital, a Walnut Creek firm, to manage the business affairs of CSCDA. While this keeps costs to a minimum, the Treasurer has alleged that the model rewards a private company if they convince public agencies to issue bonds and, in fact, a private agency is acting like a public entity. The truth is that there are several safeguards in the process, some involving the approval of the Treasurer himself, that make these allegations false. Rather, it is apparent that CSCDA has become a competitor with the Treasurer in some private activity bond issues.

Working through a request by Assembly Member Feuer, the Treasurer urged the Joint Legislative Audit Committee (JLAC) to direct that the State Auditor review the business model of CSCDA and a similar conduit issuer, CMFA. The Audit Committee accepted that request, but directed that the scope of the audit be expanded to include an agency managed by the Treasurer (CMFFHA) in a parallel audit, as well as the use of institutional benchmarks to compare the business practices of CSCDA and others. CSCDA has welcomed a transparent and objective analysis of the business model and is fully cooperating with the State Auditor in the audit process.

Deferred Compensation Program. The CSAC Finance Corporation has endorsed the NACo Deferred Compensation Program that is administered by Nationwide Retirement Solutions (NRS). This 31-year old program offers county employees the opportunity to voluntarily set aside a portion of their wages, while postponing federal and state taxes, to supplement their retirement income. The program also offers county governments an additional benefit option for their employees.

NACo receives a fee for its endorsement and marketing of the program and shares that revenue with sponsoring state associations based on program activity within that state. Last year the CSAC Finance Corporation earned

\$538,000 in revenue for endorsing and marketing the NACo Deferred Compensation Program. Currently, there are two significant issues surrounding this program that could impact this revenue stream.

Provisions contained within the Dodd-Frank Wall Street Reform and Consumer Protection Act that was signed into law by President Obama in July of 2010 require that entities such as NACo and CSAC Finance Corporation, which receive fees for endorsing and "soliciting for" programs such as the NACo Deferred Compensation Program, become Registered Municipal Advisors. We have requested an exemption from the SEC which has said that no exemptions will be considered until the Commission adopts all of the rulemaking provisions for the Act. The SEC anticipates that this will be completed in the spring of 2012.

NRS has indicated to NACo that they can no longer pay fees to any entity that is not in compliance after September 14, 2011. NACo has completed the registration process and is in the process of setting up an LLC with the intent to allow state associations to join and thereby comply with Dodd Frank. As a registered entity, NACo can only pay other registered entities or, it believes, organizations that are members of its registered entity (the LLC). If we were to participate in NACo's LLC there would presumably be some reduction in our revenue to compensate NACo for startup costs and ongoing management of the LLC. The CSAC Finance Corporation could complete the registration process independently of NACo; however, our understanding is that this could be a fairly arduous and costly process.

The second concern is that the fee schedule in NACo's current contract is being renegotiated. NRS' proposals make it clear that they intend to decrease the fee that NACo receives which would decrease the fee that NACo pays sponsoring state associations, including CSAC Finance Corporation. There is hope that NACo and NRS will reach a "reasonable" compromise; however, there is also the possibility that NRS will terminate its agreement with NACo, in which case there is a 33-month termination period at the current fee agreement. The termination period will allow time for NACo and CSAC Finance Corporation to consider options to replace the revenue stream.

US Communities. CSAC is a founding partner in the cooperative purchasing combine known as US Communities. Working through public entities, US Communities manages a competitive bidding process on goods and services with the bids structured such that any public entity may purchase through that bid. All 58 California counties are members of US Communities and regularly use the program to save millions of dollars in purchases annually. Through US Communities, CSAC receives a portion of sponsor fees charged to the vendors in the program for all purchases made by California counties. In addition, as a founding partner, CSAC receives another portion of the sponsorship fee for all activities of US Communities across the nation.

One of the major, early, successful programs under US Communities was a contract with Office Depot for the purchase of office supplies and materials. This program quickly became the flagship of the US Communities program, with sales rising into the hundreds of millions and the program used broadly across the nation. During that period, though, Office Depot had a falling out with one of their

program managers who in turn claimed "whistleblower" status and alleged fraud on the part of Office Depot with a number of their contracts. Los Angeles County was the parent contractor of the Office Depot contract and did a thorough and complete investigation and found only minor pricing errors. Since that time, Office Depot has declined to bid when the office supplies contract was rebid, and the award of the US Communities business has been given to Independent Stationers.

In his zeal to besmirch Office Depot, however, the whistleblower has now implicated US Communities, claiming they were negligent in their management of the contract and that public entities were overbilled by millions of dollars as a result. While the whistleblowers comments are without foundation, they do raise a public image issue for US Communities and the integrity of the program. As a founding partner, CSAC is participating fully with the other partners to repair this damage. At the same time, though, due to the change in the office products contract and the business climate in general, US Communities activity is down from prior years.

Through the benefits of programs established through CSAC and the CSAC Finance Corporation, such as CSCDA, US Communities and Nationwide Retirement Services, CSAC has been able to use these private activity resources to sustain and grow valuable services to California's counties without increasing the dues members pay for those services. CSAC has been able to expand an aggressive advocacy program at both the state and federal level to protect California's counties and improve the lives of county residents. Most recently, CSAC has been able to add the CSAC Institute for Excellence in County Government and continues to provide education and training through the Institute, conferences and meetings that are some of the best in the industry. But the above information notes that CSAC cannot rest on its laurels. Success breeds competition and resentment. CSAC is trying to remain vigilant to the challenges current programs and projects pose while continually seeking viable alternatives to diversifying the programs and products provided for California counties. Our members deserve nothing less.



October 6, 2011

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To: CSAC Executive Committee
From: David Liebler
Director of Public Affairs & Member Services
Re: CSAC Communications Update

Since the elimination of *California Counties* magazine 15 months ago, CSAC has evaluated and enhanced its communications tools to take advantage of new technologies that provide information quicker, less expensively and more effectively. We have put a stronger emphasis on utilizing these new technologies to better communicate with our members and targeted external audiences. We are constantly analyzing how we can get our information and messaging to 1) 58 diverse counties, 2) 100s of media outlets, and 3) 38 million California residents. These issues become increasingly important as CSAC and our county members face new challenges.

Beyond our ongoing, old-fashioned media work to support CSAC's legislative strategy ,below is a brief description of some of the communications work undertaken during the past 15 months:

Communications Tools

The CSAC Bulletin – With the development of the CSAC Bulletin, members can now find legislative updates and other useful information in one electronic format delivered through email weekly. More than 3,400 individuals are now on our electronic mailing list. Copies of the bulletin are also archived on the CSAC Web Site.

The County Voice – CSAC's blog, "The County Voice," continues to grow in popularity. The media has even begun to use the blog as a news sources for their articles. Since January, 65 blog posts featuring a wide variety of issues have appeared on "The County Voice."

Social Networking – Thousands of individuals follow CSAC through Facebook and Twitter. While Twitter is used to provide CSAC's perspective on key issues, such as budget proposals, Facebook allows CSAC a venue to promote CSAC events, meetings and links to worthwhile newspaper articles. CSAC has also recently developed Twitter accounts for each legislative policy area.

Video Channel – CSAC created its own YouTube Channel and began filming, producing and airing videos highlighting the programs honored by the Association’s Challenge Awards. The channel also includes other videos highlighting CSAC, such as a recent appearance by Executive Director Paul McIntosh on the Ken Maddy Report.

Executive Directors’ Watch – During the first eight months of 2011, 20 editions of the *Executive Director’s Watch* were written and distributed to membership in order to communicate news at the state and federal level in a timely fashion. This has become a very useful tool for Paul McIntosh,

CSAC Web Site – Communications staff members regularly update the CSAC Web site with various reports, fact sheets, and talking points to ensure consistent communication on county issues, and providing another avenue for legislative delegations, media and the public to access CSAC’s material. In the past 15 months, Web site activity included nearly 1.25 million page views by nearly 625,000 visitors.

CSAC Challenge Awards – We continually look for ways to enhance and improve the Challenge Awards. In the past few years we revamped the entry and judging process, and we began making award presentations at boards of supervisors meeting. This past year, we added a new element: making videos of each award-winning program and spotlighting them (accompanied by blog postings) on the CSAC Website during National County Government Month.

Communications Successes

Increase in Readership = Increase in Interest – CSAC has seen an increase in all of our major communications tools. Electronic mailing lists for such publications as “The CSAC Bulletin” and “Executive Director’s Watch” continue to grow. Web site viewership is up, and our followers on Twitter, Facebook and “The County Voice” increase weekly.

Doing More with Less – Despite necessary cutbacks in staff and budget for FY 2010-11, CSAC is now producing more product using cutting-edge communications tools. As stated above, we are constantly analyzing how we can get out our information and messaging to 1) 58 diverse counties, 2) 100s of media outlets, and 3) 38 million California residents, without needing a six-figure budget.

Work Honored at State and National Level – CSAC’s communications work received national accolades by being recognized with eight awards at the state and national level. CSAC was honored this year by the National Association of County Information Officers (NACIO), an affiliate of NACo, with five awards: three writing awards (two blog postings and speech); for use of social media with the “The County Voice;” and “The CSAC Bulletin” for external publications. At the state level, the California Association of Public

Information Officials honored CSAC with three awards: for the “Bulletin,” “The County Voice,” and writing.

New Effectiveness of Challenge Awards – The CSAC Challenge Awards have taken on enhanced significance since we have instituted in-county presentations and additional exposure through videos and blogs. The individuals who created and implemented the program now receive significant public exposure in their county; the videos have enhanced the exposure of the award-winning programs throughout the state.

Future Projects

During the next year, CSAC is looking to pursue a number of short and long-term projects that will enhance our overall communications effectiveness. These include:

Enhancing Use of Video – CSAC began using video and its own YouTube channel earlier this year, and sees significant potential for use in the next year and beyond. Beyond the Challenge Awards, CSAC will be looking for opportunities to use video to help enhance our other strategies.

Surveying Membership About Communications Tools – CSAC periodically surveys its membership regarding the effectiveness of our various communications tools. We are looking at undertaking a survey in 2012 to see which tools are working with which audiences. Past surveys played integral roles in decisions regarding which communications tools we should continue to use or eliminate.

Analyzing and Retooling Website – CSAC’s Website has utilized its current design and content management system for nearly a decade. This poses a number of external and internal challenges. Staff will be analyzing different costs related to front- and back-end improvements to see if it is a feasible project to undertake in 2011-12.

Working to Increase Exposure of Challenge Award Recipients – CSAC is examining ways to get enhance exposure of the Challenge Award-winning programs while tying it into our bigger goals of “telling the county story” or showing examples of how counties can be innovative and cost-effective when given the flexibility and necessary funding.

Continue to Mix “The Old” with “The New” – Staff will continue to look for ways to incorporate new communications tools into old-fashioned work (eg the media). We have used this effectively in the past year and are looking for new avenues to enhance our current efforts.



MEMORANDUM

October 5, 2011

CONFIDENTIAL

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To: John Tavaglione
President

Executive Committee
California State Association of Counties

From: Paul McIntosh
Executive Director

Re: **CSAC Retirement Plan**

CONFIDENTIALITY NOTICE: This memorandum, and any documents or messages attached to it, may contain confidential information that is legally privileged. If you are not the intended recipient, then you are (1) notified that any disclosure, copying, distribution, saving, reading or use of this information is strictly prohibited, (2) requested to discard and delete this email and any attachments, and (3) requested to immediately notify me by letter, telephonically, or email that you mistakenly received this message (pmcintosh@counties.org) (916) 650-8100. Thank you.

During the Executive Committee meeting of May 5, 2011 questions were raised regarding retirement benefits for CSAC employees. CSAC has been a member of the San Bernardino County Employee Retirement Association (SBCERA) since 1981. CSAC staff currently earns retirement benefits at the 2%@55 level and CSAC pays 100% of the retirement plan contributions. Staff was directed to determine whether or not an alternative benefit plan was available for CSAC staff. In addition, CSAC's current salary and benefits structure is based upon a comprehensive study completed in 2008 and staff was directed to determine if comparable agencies used in the study had changed their benefits structure since the study.

SBCERA manages two retirement plans – 2%@55 and 3%@50 (Public Safety). SBCERA reports that they have tried over the past few years to introduce legislation to enable SBCERA to provide multi-tiered plans but have not been successful. Therefore, under the SBCERA system, there is only one plan available for CSAC participation. SBCERA reports they have been the recipient of Money Management Newsletter's Small and Mid-Sized Public Plan of the Year, in 2010 was selected as Institutional Investor's 2010 Small Public Plan, and has been nominated for a similar award this year. In May, SBCERA was funded at approximately 83% on a non-smoothed basis.

Absent legislative change to enable multi-tiered retirement plans through SBCERA, CSAC's only other alternative to changing retirement plans would be to withdraw from SBCERA and join an alternative plan. Note, however, that CSAC would remain responsible for any unfunded liabilities currently residing within SBCERA, plus any withdrawal fees, in addition to any costs associated with joining an alternative system.

While it is recognized that CSAC could reduce the level of retirement paid as an employer, and require employees to pick up a share of their retirement, the current

arrangement was found to be in line with compensation provided to similarly-situated positions. In 2008, CSAC completed a comprehensive salary and benefits analysis, rewrote position descriptions and placed all CSAC employees in a stepped salary range grid. Implementation enabled CSAC to provide a competitive, but comparable compensation structure for employees. CSAC used regional California counties, as well as similar advocacy organizations such as the League of California Cities, Association of California Water Agencies, Regional Council of Rural Counties, California School Boards Association and California School Administrators Association in the study. A copy of the report to the Executive Committee implementing the study in 2008 is attached. CSAC recognizes that due to budget constraints, several California counties have negotiated two-tiered retirement plans, where available, including some of the counties used in the study. However, in some advocacy organizations, with which CSAC is in direct competition for recruitment and retention of employees, benefits have actually been enhanced since the 2008 survey. ACWA, for instance has added post-retirement health insurance for tenured employees.

CSAC truly appreciates and understands the fiscal challenges facing member counties and the necessity of rolling back salary and benefits packages due to those fiscal challenges. As a County Administrator, I have had to recommend and execute layoffs, as well as salary and benefit reductions during similar challenging times. CSAC's budget, though, is balanced and has been balanced without any increase in member dues for the fourth year in a row. Salaries and benefits are not a budget issue to CSAC. CSAC has taken steps necessary to correct budget deficiencies in the past. Two years ago, CSAC faced a constrained budget and reduced staff and restructured assignments to address those constraints.

CSAC also appreciates that at times it is difficult for members of the Board of Directors to divorce themselves from their role as a member of the board of supervisors when acting as a member of the board of directors of the association. However, CSAC is not a county and does not compete with California counties for the retirement and retention of professional staff. Although oversight is provided by a board of directors representing California counties, CSAC's business model is no different from private lobbying firms employed by many California counties, usually at rates significantly higher than the dues paid by that county to CSAC. CSAC is a not-for-profit association organized under Section 501(c) (4) of the Internal Revenue Code. While CSAC is a quasi-governmental agency, it directly competes with private companies in the labor market. In fact, several former CSAC employees now working in private advocacy firms are compensated significantly higher than current CSAC employees. CSAC must remain competitive or risk the chance of a serious degradation in the quality of advocacy on behalf of California's counties.

The budget presented to both the Executive Committee and Board of Directors for the current year was balanced within current fiscal constraints, while supporting the continuation of the salary and benefits structure designed through the 2008 study. CSAC continues to work on approaches to diversify revenues available to support and sustain programs at current levels without impacting our member counties. Absent a change to the fiscal structure, dampening salary and/or benefits available to CSAC employees can only weaken the Association and threaten the quality of advocacy efforts. No change is recommended.

Attachment



MEMORANDUM

October 1, 2008

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To: Executive Committee
California State Association of Counties

From: Paul McIntosh
Executive Director

Re: **CSAC Compensation Analysis Report**

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With the approval of the Executive Committee of the California State Association of Counties (CSAC) to move forward with a comprehensive analysis of the classification and compensation of the CSAC staff, and the cooperation of the CSAC Finance Corporation, staff issued a request for proposals from known firms specializing in human resources. A review of proposals received found Fox Lawson and Associates to be the most competitive, qualified firm and a contract was entered into with Fox Lawson in January 2008.

Each employee of CSAC and CSAC Finance Corporation completed a Position Description Questionnaire (PDQ) with supervisors and managers reviewing and approving the PDQ's prior to submission to Fox Lawson. Based upon personal interviews with each employee and material contained in the PDQ's, Fox Lawson wrote new job descriptions for each classification to bring those descriptions into compliance with state and federal laws, provide continuity between positions as well as promotional opportunities from within the ranks, and to provide a clear hierarchy of classifications within both organizations.

CSAC and CSAC Finance Corporation managers reviewed and approved the new classifications, and reviewed those classifications with rank and file employees. The job descriptions were then used to conduct a detailed compensation survey with comparable agencies. Agencies responding, and subsequently used in the compensation survey were:

Association of California Water Agencies
California School Administrators Association
El Dorado County
San Joaquin County
Solano County
Placer County
Sutter County

San Bernardino County
Yolo County
Santa Clara County
League of California Cities
State of California
City of Sacramento

Invited but declining to participate in the survey were:

California Schools Boards Association
Regional Council of Rural Counties

Sacramento Municipal Utility District
California Chamber of Commerce

The survey indicated that the benefits currently received by CSAC and CSAC Finance Corporation employees are competitive with the market defined by the survey respondents. Two exceptions are the level of health insurance provided to executive-level employees (CSAC Deputy Director, CSAC Finance Corporation Executive Director and CSAC Executive Director) and the impacts of Internal Revenue Service Code Section 401(a)(17).

Most respondents pay 100 percent of the health insurance of choice for employee and family for their executive-level classifications. CSAC and the CSAC Finance Corporation currently pay 100 percent of the lowest cost option for health insurance. IRS Code Section 401(a)(17) places a cap on the amount of compensation that can be used to compute retirement benefits. This is a recent issue for which CSAC does not currently have a policy.

As a result of the survey, all CSAC and CSAC Finance Corporation employees have been placed on a grid to provide for competitive salaries within each classification area. Highlights of the grid are:

- Given the range and size of agencies surveyed, the lack of private, Sacramento-based firms in the field, and the desire to ensure that CSAC remained the “employer of choice”, it was determined that the market rate for CSAC and CSAC Finance Corporation employees should be 15 percent above the median. The “median” is the mathematic mid-point between the highest and lowest agency in the survey, it is not an arithmetic average. Setting the market at 15 percent above the median ensures that CSAC and the CSAC Finance Corporation remain competitive in the Sacramento public and private job market.
- Due to the paucity of data for legislative advocates, the fact that advocacy is the core mission of the Association, and knowledge of the competitive salary ranges in the Sacramento job market gleaned from direct recruitment experience, it was determined that a premium of 25 percent should be added to the market data for that classification.
- Implementation will be effective January 1, 2009. Salary data would need to be adjusted for inflation effective that date.
- Six (6) classifications were “Y Rated” meaning that those classifications would not receive any increase in compensation due to the study since, according to the market, as adjusted above; those classifications were already comparably compensated.
- Increases in salary range from zero (0) percent to thirty-one (31) percent. On the average, the application of the data, as adjusted, to current salaries results in an overall average increase in compensation to CSAC and CSAC

Finance employees of 11.5 percent. The total cost of implementation for the current budget year will be \$163,110 with the full-year cost at \$326,220. Costs can be accommodated within the adopted budget.

Implementation of the compensation analysis is accompanied by an evaluation and compensation structure that identifies and rewards performance. This will be accomplished by implementation of the following:

- The salary figures established above will represent a “base salary” for employees effective January 1, 2009. Prior to that date, all employees with an anniversary date of January 1 will be evaluated on their job performance¹.
- The base salary will be used to compute a “performance range” of 10 percent above or below that base salary.
- Based upon their performance evaluation (numerical score between 1 and 5), an employee’s base salary will be adjusted to reflect that job performance. Adjustments could range from 10 percent below base to 10 percent above base.
- At the beginning of each calendar year, the base salary for employees will be adjusted according to the Western Cities Consumer Price Index to ensure that salaries remain adjusted for inflation. Since the data used to establish the base salary in this study was collected in 2008, those salaries will be adjusted January 1, 2009 according to the Western Cities CPI.
- The base salaries represent the middle of the salary range for each classification, as adjusted. Based upon the discretion of the Executive Director, and policies to be incorporated into the Employee Handbook, employees may be placed at levels within that salary range as their tenure and experience with the Association warrants.

Following is a graphic example of application of the performance adjustment:

- Employee A has a base salary of \$100,000 after it has been adjusted for inflation on January 1, 2009. The Performance Range for Employee A is \$90,000 to \$110,000, creating a “performance band” of \$20,000. Hypothetically, Employee A receives an evaluation of 4.35 out of a possible 5 (Note, this scale can be X out of 4 as well). Based upon the evaluation, Employee A would receive 87 percent of the performance band, or \$17,400 (.87 X \$20,000) added to the lower end of the performance range creates a salary for 2009 of \$107,400.
- At the end of 2009, the salary for Employee A reverts back to the \$100,000 base salary, which is adjusted for inflation, and Employee A is re-evaluated on

¹ Effective January 1, 2008, CSAC and the CSAC Finance Corporation transitioned to a compensation and evaluation schedule that provided adjustments based upon an employee’s anniversary (i.e. hire or promotion) date. Those employees employed longer than one year, effective with that date, are evaluated and adjusted on January 1. All others, and newly hired employees, will be evaluated and adjusted on their anniversary date.

their performance for the year. The same application occurs to determine their performance factor.

In addition to the salary factors identified, benefits provided to executive-level employees will include the payment of 100 per cent of the cost of medical insurance in the plan of choice for the employee and family.

Finally, for those employees receiving compensation in excess of the cap established by IRS Code Section 401(a)(17), CSAC shall establish a supplemental retirement benefit that will provide those employees with retirement benefits equal to the retirement benefit they would receive through the current retirement plan absent an IRS cap.

SUMMARY and ACTION

The setting of compensation for CSAC staff is the responsibility of the CSAC Executive Director, as long as decisions are within parameters established by the CSAC Executive Committee. The setting of compensation for the CSAC Finance Corporation staff is the responsibility of the CSAC Finance Corporation Board of Directors. CSAC and the CSAC Finance Corporation have an agreement that the Board of Directors will follow the parameters established by the Executive Committee in setting that compensation. The setting of compensation for the CSAC Executive Director is the responsibility of the CSAC Executive Committee. Therefore, it is recommended that the CSAC Executive Committee:

1. Approve the parameters identified above for the implementation of the classification and compensation study and the performance evaluation and adjustment methodology;
2. Set the base salary for the CSAC Executive Director at \$263,650 to be adjusted for inflation and effective January 1, 2009. This base salary is 11 percent above the current salary and is the salary identified through the market analysis; and
3. Determine the performance factor to be used in applying the performance adjustment to the salary of the Executive Director for 2009.

Attachment



MEMORANDUM

October 1, 2008

C O N F I D E N T I A L

1100 K Street
Suite 101
Sacramento
California
95814

Telephone
916.327-7500

Facsimile
916.441.5507

To: Executive Committee
California State Association of Counties

From: Paul McIntosh
Executive Director

Re: **CSAC Compensation Analysis Report**

CONFIDENTIALITY NOTICE: This memorandum, and any documents or messages attached to it, may contain confidential information that is legally privileged. If you are not the intended recipient, then you are (1) notified that any disclosure, copying, distribution, saving, reading or use of this information is strictly prohibited, (2) requested to discard and delete this email and any attachments, and (3) requested to immediately notify me by letter, telephonically, or email that you mistakenly received this message (pmcintosh@counties.org) (916) 650-8100. Thank you.

With the approval of the Executive Committee of the California State Association of Counties (CSAC) to move forward with a comprehensive analysis of the classification and compensation of the CSAC staff, and the cooperation of the CSAC Finance Corporation, staff issued a request for proposals from known firms specializing in human resources. A review of proposals received found Fox Lawson and Associates to be the most competitive, qualified firm and a contract was entered into with Fox Lawson in January 2008.

Each employee of CSAC and CSAC Finance Corporation completed a Position Description Questionnaire (PDQ) with supervisors and managers reviewing and approving the PDQ's prior to submission to Fox Lawson. Based upon personal interviews with each employee and material contained in the PDQ's, Fox Lawson wrote new job descriptions for each classification to bring those descriptions into compliance with state and federal laws, provide continuity between positions as well as promotional opportunities from within the ranks, and to provide a clear hierarchy of classifications within both organizations.

CSAC and CSAC Finance Corporation managers reviewed and approved the new classifications, and reviewed those classifications with rank and file employees. The job descriptions were then used to conduct a detailed compensation survey with comparable agencies. Agencies responding, and subsequently used in the compensation survey were:

Association of California Water Agencies
California School Administrators Association
El Dorado County
San Joaquin County
Solano County
Placer County
Sutter County

San Bernardino County
Yolo County
Santa Clara County
League of California Cities
State of California
City of Sacramento

Invited but declining to participate in the survey were:

California Schools Boards Association
Regional Council of Rural Counties

Sacramento Municipal Utility District
California Chamber of Commerce

The survey indicated that the benefits currently received by CSAC and CSAC Finance Corporation employees are competitive with the market defined by the survey respondents. Two exceptions are the level of health insurance provided to executive-level employees (CSAC Deputy Director, CSAC Finance Corporation Executive Director and CSAC Executive Director) and the impacts of Internal Revenue Service Code Section 401(a)(17).

Most respondents pay 100 percent of the health insurance of choice for employee and family for their executive-level classifications. CSAC and the CSAC Finance Corporation currently pay 100 percent of the lowest cost option for health insurance. IRS Code Section 401(a)(17) places a cap on the amount of compensation that can be used to compute retirement benefits. This is a recent issue for which CSAC does not currently have a policy.

As a result of the survey, all CSAC and CSAC Finance Corporation employees have been placed on a grid to provide for competitive salaries within each classification area. Highlights of the grid are:

- Given the range and size of agencies surveyed, the lack of private, Sacramento-based firms in the field, and the desire to ensure that CSAC remained the “employer of choice”, it was determined that the market rate for CSAC and CSAC Finance Corporation employees should be 15 percent above the median. The “median” is the mathematic mid-point between the highest and lowest agency in the survey, it is not an arithmetic average. Setting the market at 15 percent above the median ensures that CSAC and the CSAC Finance Corporation remain competitive in the Sacramento public and private job market.
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Finance employees of 11.5 percent. The total cost of implementation for the current budget year will be \$163,110 with the full-year cost at \$326,220. Costs can be accommodated within the adopted budget.

Implementation of the compensation analysis is accompanied by an evaluation and compensation structure that identifies and rewards performance. This will be accomplished by implementation of the following:

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SUMMARY and ACTION

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3. Determine the performance factor to be used in applying the performance adjustment to the salary of the Executive Director for 2009.

Attachment



CONTACT:
Nicole Dailey
Communications Officer
(909) 885-7980, ext. 329
ndailey@sbcera.org
www.SBCERA.org

FOR IMMEDIATE RELEASE:
July 22, 2011

SBCERA HAS RECORD-BREAKING YEAR, EARNS MORE THAN \$1 BILLION

Pension fund credits its diversified portfolio and focus on risk adjusted returns for its highest one-year gain on record.

SAN BERNARDINO, CA –Today the San Bernardino County Employees' Retirement Association (SBCERA) announced its earnings of \$1.137 billion, or a 22.61 percent investment return, for the fiscal year ending June 30, 2011.

The Fund's fiscal year-end performance ranks as the highest dollar amount gain in SBCERA's 45-year history. As of June 30, 2011, the Fund grew by more than \$1.1 billion to \$6.125 billion. The Fund's total net return of 22.61 percent outperformed the SBCERA policy benchmark by 2.48 percent, or 248 basis points.

"This has been a remarkable year for SBCERA. It has exceeded all expectations," said Dawn Stafford, Chair of the SBCERA Investment Committee. "The Fund's performance demonstrates our steadfast commitment to setting sound investment strategies focused on minimizing risk and ensuring the long-term health and security of the pension fund on behalf of our members and plan sponsors."

Recognizing ongoing volatility of the financial markets, the Board worked diligently over the last few years to build and maintain a well-diversified portfolio within a risk-based framework to allow for greater sustainability and stability over the long-term.

This fiscal year, SBCERA recorded only one month with a loss equaling 0.08 percent or 8 basis points in November 2010. All other months recorded gains.

The Fund also exceeded expectations for minimizing risk, as measured by the Sharpe ratio. The Fund produced a Sharpe ratio of 5.51. This is well above SBCERA's policy benchmark of 2.55, which means the Fund had a much higher rate of return than expected for each incremental unit of risk taken during the year.

"SBCERA is a long-term investor," said Interim Chief Investment Officer Don Pierce. "While we can't predict how the markets will behave, SBCERA will continue to adhere to a disciplined investment process and deploy capital to endure a wide variety of possible economic outcomes."

(MORE)

SBCERA has had an average net return of 9.52 percent since 1982. The Plan's 2011 fiscal year-end asset allocation included 28.5 percent in public equities, 29.4 percent in fixed income, 7.4 percent in real estate and 18.8 percent in private equity. The balance is in other asset classes.

The latest performance reports are unaudited and based on data currently available.

The San Bernardino County Employees' Retirement Association (SBCERA) provides its more than 32,000 members and their beneficiaries with retirement and related benefits and services which they have earned, commensurate with their years of service and compensation. The Board of Retirement's responsibilities and functions are governed by the applicable provisions of the California Government Code, along with the bylaws and regulations of SBCERA.

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Calendar of Events

2011

January

- 12-24 NACo Presidents/Executive Director Meeting, Washington, D.C.
- 19-20 RCRC Board Meeting, Sacramento County
- 20 CSAC Executive Committee Meeting, Sacramento County
- 26-27 CSAC Corporate Associates Retreat, San Francisco City/County

February

- 2-4 CAOAC Business Meeting, Location, Monterey, CA
- 24 CSAC New Supervisors Institute, Session II, Sacramento, County
- 25 Special CSAC Board of Directors Meeting (via Conference Call)

March

- 5-9 NACo Legislative Conference, Washington, D.C.
- 23 RCRC Board Meeting, Sacramento County
- 24 CSAC Board of Directors Meeting, Sacramento County

April

- 14 CSAC New Supervisors Institute, Session III, Sacramento County
- 28-29 CSAC Finance Corporation, Monterey, County

May

- 5 CSAC Executive Committee Meeting, Sacramento County
- 18-20 NACo WJR Conference, Chelan County, Wenatchee, WA
- 25 RCRC Board Meeting, Sacramento County

June

- 1-2 CSAC Legislative Conference, Sacramento County
- 2 CSAC Board of Directors Meeting, Sacramento County
- 2 CAOAC Business Meeting, Sacramento County

July

- 15-19 NACo Annual Meeting, Multnomah County (Portland), Oregon

August

- 11 CSAC Executive Committee Meeting, Los Angeles County

September

- 8 CSAC Board of Directors Meeting, Sacramento County
(Please note this meeting was previously set for Sept. 15.)

October

- 6-7 CSAC Executive Committee Retreat, San Diego County
- 19-21 CAOAC Annual Meeting, Monterey County
- 19-22 NACo National Council of County Association Executives Annual Fall Meeting

November

- 29-2 CSAC 117th Annual Meeting, San Francisco City & County

December

- 1 CSAC Board of Directors Meeting, San Francisco City & County
- 2 CAOAC Business Meeting, Location TBD
- 14-16 CSAC Officers Retreat, Napa County

2012

January

- 19 CSAC Executive Committee Meeting, Sacramento County

February

- 1-3 CSAC Corporate Associates Retreat, Orange County
- 23 CSAC Board of Directors Meeting, Sacramento County

March

- 3-7 NACo Legislative Conference, Washington, D.C.

April

- 19 CSAC Executive Committee Meeting, Sacramento County
- 26-27 CSAC Finance Corporation Meeting, Monterey County

May

- 16-18 NACo Western Interstate Region Conference, Santa Fe County, New Mexico
- 30-31 CSAC Legislative Conference, Sacramento County
- 31 CSAC Board of Directors Meeting, Sacramento County

July

- 13-17 NACo Annual Meeting, Allegheny County (Pittsburgh), Pennsylvania

August

- 2 CSAC Executive Committee Meeting, Los Angeles County

September

- 6 CSAC Board of Directors Meeting, Sacramento County
- 13-14 CSAC Finance Corporation Meeting, San Diego County

October

- 3-5 CALAFCO Annual Conference, Monterey County
- 10-12 CSAC Executive Committee Retreat, Orange County
- 17-20 NACo National Council of County Association Executives Annual Fall Meeting

November

- 27-30 CSAC 118th Annual Meeting, Long Beach, Los Angeles County

December

- 12-14 CSAC Officers Retreat, Site TBD

2013

March

- 2-6 NACo Legislative Conference, Washington, D.C.

May

- 22-24 NACo Western Interstate Region Conference, Flagstaff, Arizona
- 29-30 CSAC Legislative Conference, Sacramento County

July

19-23 NACo Annual Conference, Tarrant County, Ft. Worth, Texas

September

10-13 CSAC Finance Corporation Fall Meeting

November

19-22 CSAC 119th Annual Meeting, San Jose, Santa Clara County

2014

March

1-5 NACo Legislative Conference, Washington, D.C.

May

28-29 CSAC Legislative Conference, Sacramento County

July

11-15 NACo Annual Conference, New Orleans Parish, New Orleans, LA

November

18-21 CSAC 120th Annual Meeting, Anaheim, Orange County