

CALIFORNIA STATE ASSOCIATION OF COUNTIES
EXECUTIVE COMMITTEE

Thursday, August 7, 2014, 10:00am to 1:30pm
Maya Hotel, Long Beach, Los Angeles County

A G E N D A

Times for agenda items listed herein are approximate. Matters may be considered earlier than published time.

Presiding: John Gioia, President

10:00am PROCEDURAL ITEMS

1. Roll Call Page 1
2. Approval of Minutes from April 17, 2014 Meeting Page 2

10:10am SPECIAL PRESENTATION

3. CSAC Corporate Partners Report Page 5
 - Representatives from Ascendian Healthcare Consulting
 - Jim Manker, CSAC staff

10:30am ACTION ITEMS

4. Consideration of November 2014 Ballot Initiatives Page 6
 - DeAnn Baker & Elizabeth Howard Espinosa, CSAC staff

Proposition 43: The Safe, Clean, and Reliable Drinking Water Supply Act.
Proposition 44: California Rainy Day Budget Stabilization Fund Act
Proposition 46: Drug and Alcohol Testing of Doctors. Medical Negligence Lawsuits.
Proposition 47: The Safe Neighborhoods and Schools Act.

11:15am INFORMATION ITEMS

5. Realignment Allocation Committee Report Page 27
 - David Twa, CAOAC President & Elizabeth Howard Espinosa, CSAC staff
6. National Association of Counties (NACo) Report Page 28
 - Matt Cate, CSAC Executive Director
7. Legislative Update Page 30
 - DeAnn Baker, CSAC staff
8. FPPC Reporting Page 33
 - Jean Jordan & Jennifer Henning, CSAC staff
9. CSAC Revenue & Capital Advisory Group Report Page 46
 - Matt Cate, CSAC Executive Director
10. Review of IRS Form 990 Handout
 - Jean Jordan, CSAC staff
11. *The following items are contained in the briefing materials for your information, but no presentation is planned:*
 - CSAC Finance Corporation Report Page 59
 - CSAC Litigation Coordination Program Report Page 60

12:00pm LUNCH

12:30pm CLOSED SESSION

12. Conference with Legal Counsel - Anticipated Litigation
Significant exposure to litigation pursuant to subdivision (b) of Section 54956.9: one potential case

1:30pm ADJOURN

Note: The next CSAC Executive Committee meeting is October 8-10, in Monterey, CA

CALIFORNIA STATE ASSOCIATION OF COUNTIES
EXECUTIVE COMMITTEE
2014

| | |
|---------------------------------|--------------------------|
| President: | John Gioia, Contra Costa |
| 1 st Vice President: | Vito Chiesa, Stanislaus |
| 2 nd Vice President: | Richard Forster, Amador |
| Immed. Past President: | David Finigan, Del Norte |

Urban Section

Federal Glover, Contra Costa
Don Knabe, Los Angeles
Kathy Long, Ventura
John Moorlach, Orange
John Tavaglione, Riverside
Ken Yeager, Santa Clara
Keith Carson, Alameda (alternate)

Suburban Section

Susan Adams, Marin
Bruce Gibson, San Luis Obispo
Henry Perea, Fresno
Linda Seifert, Solano (alternate)

Rural Section

Virginia Bass, Humboldt
Robert Williams, Tehama
Kim Dolbow Vann, Colusa, CSAC Treasurer (alternate)

Advisors

David Twa, CAOAC Advisor, Contra Costa
James Fincher, County Counsel Advisor, Merced

CALIFORNIA STATE ASSOCIATION OF COUNTIES
EXECUTIVE COMMITTEE

April 17, 2014
CSAC Conference Center, Sacramento

MINUTES

Presiding: John Gioia, President

1. ROLL CALL

| | |
|---|------------------------------------|
| John Gioia, President | Susan Adams, Marin |
| Vito Chiesa, 1 st Vice Pres. | Bruce Gibson, San Luis Obispo |
| Richard Forster, 2 nd Vice Pres. | Henry Perea, Fresno |
| David Finigan, Immed. Past Pres. | Linda Seifert, Solano |
| Federal Glover, Contra Costa | Virginia Bass, Humboldt |
| Kathy Long, Ventura | Robert Williams, Tehama |
| John Moorlach, Orange (via audio) | Kim Vann, Colusa, CSAC Treasurer |
| John Tavaglione, Riverside (via audio) | David Twa, CAOAC Advisor |
| Ken Yeager, Santa Clara | James Fincher, Co. Counsel Advisor |
| Keith Carson, Alameda | |

2. APPROVAL OF MINUTES

The minutes of January 16, 2014 were approved as previously mailed.

3. PROPOSED CSAC BUDGET FOR FY 2014-15

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

Motion and second to approve the proposed CSAC Budget for FY 2014-15 and recommend adoption by the CSAC Board of Directors. Motion carried unanimously.

4. PROPOSED LITIGATION COORDINATION PROGRAM BUDGET FOR FY 2014-15

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

Motion and second to approve the Litigation Coordination Program budget for FY 2014-15. Motion carried unanimously.

5. SB 1129 (Steinberg): REDEVELOPMENT SUCCESSOR AGENCIES

Senator Steinberg has introduced SB 1129, a measure that seeks to address a number of concerns about the process of dissolving redevelopment agencies. Staff outlined three components contained in the bill that will have consequences for all affected taxing entities. They are: use of 2011 bond proceeds; long range property management plans and

compensation agreements; and enforceable obligations. Staff noted that this is a very costly bill for counties.

Motion and second to Oppose SB 1129. Motion carried unanimously.

6. CSAC ADMINISTRATION OF JUSTICE POLICY COMMITTEE REPORT

Supervisor Glover, Chair of the CSAC Administration of Justice policy committee, presented a report from the meeting held on April 11. Representatives from the California Victim Compensation and Government Claims Board addressed the policy committee about partnering with county stakeholders on the issue of victim restitution in a post-realignment world. They will be working with CSAC staff on the implementation of a survey to gather data and report back to the policy committee on the results at a future meeting. The Attorney General's office made a presentation highlighting findings and recommendations from a number of recent Department of Justice (DOJ) reports including *The State of Human Trafficking in California*, the 2013 *In School and On Track* report, and *Gangs Beyond Borders*. In addition, they provided an update on the work of the DOJ's Division of Recidivism Reduction and Reentry which is currently partnering with California's police chiefs and district attorneys to develop a statewide definition of recidivism and advance innovative evidence-based approaches to recidivism reduction in California.

7. REALIGNMENT ALLOCATION COMMITTEE UPDATE

David Twa, CAOAC President, presented an update on recent work of the Realignment Allocation Committee (RAC). The committee met on March 28 to continue its deliberations on developing an AB 109 distribution formula that would be effective beginning in 2014-15, and again on April 16, to discuss setting a base for each county. It was reported that the programmatic funding base will be 7% less in 2014-15 than in the current year, based on the state's assumption that those exiting state prison onto a county probation caseload would decline as counties house more felons locally. CSAC is pursuing advocacy strategies to secure additional funding to mitigate the drop in allocation, including a meeting between the CSAC Officers and the Governor held last week.

8. CSAC PRIORITIES AND THE MAY REVISE

Staff reported that the state's tax revenue surplus is now at \$7.2 billion. CSAC is advocating for some of those funds to enhance AB 109 funding to counties (\$87m) and paying down mandate reimbursements associated with pre-2004 claims. Details on these proposals were contained in the briefing materials. It was also reported that the Governor has convened a special session to address his Rainy Day fund proposal.

9. CSAC LEGISLATIVE UPDATE

CSAC staff is currently tracking approximately 100 legislative bills dealing with counties. It was reported that 1.4 million people have enrolled in Covered California and enrollment targets were reached. Two bills have been introduced related to siting medical marijuana facilities. There are currently five proposals circulating regarding the Groundwater issue, including one introduced by the Association of California Water Agencies (ACWA). Tomorrow's CSAC Bulletin will contain details on all five proposals. Senator Steinberg has introduced another Cap & Trade proposal which the Housing, Land Use & Transportation policy committee will discuss at its May meeting.

10. CSAC CORPORATE PARTNERS PROGRAM UPDATE

The CSAC Corporate Partnership Program will be hosting three mini-summits throughout the state this year. The first will be held in Tehama County on May 1, the second is in Fresno County on June 19 and the third will be in San Francisco on October 2. Details will be sent to all county supervisors.

11. OTHER ITEMS

There were no miscellaneous items to report.

12. OVERVIEW OF CSAC FINANCE CORPORATION PROGRAMS

Mark Saladino, President of the CSAC Finance Corporation and Los Angeles County Treasurer/Tax Collector, introduced the Finance Corp. Board members in attendance. They were: Larry Spikes, Vice President and Kings County Administrative Officer; Les Brown, Secretary/Treasurer; Robert Bendorf, Yuba County Administrative Officer; Pat O'Connell, Alameda County Auditor-Controller; Mike Johnson, retired Solano County Administrative Officer; Greg Cox, San Diego County Supervisor; and Steve Juarez, Associate Vice Pres. & Director, UC State Governmental Relations.

Saladino reviewed background materials related to the Finance Corporation that were distributed to Executive Committee members. The materials included an historical overview and highlights of the various CSAC Finance Corporation programs, structure and contributions to CSAC.

13. DISCUSSION AND POTENTIAL ACTION ON FUTURE OF CSAC & CSAC FINANCE CORP. RELATIONSHIP

President Gioia reported that the Executive Committee had directed Matt Cate to explore the strength of the relationship between the Finance Corp. and CSAC and to retain a firm to provide legal advice and guidance with regard to the governance structure. CSAC then requested a legal opinion from a top non-profit corporation law firm. The opinion received advises that there is no tax or legal advantage to the current structure and that there may be significant advantage to a new structure that would draw the CSAC Finance Corp. closer to CSAC.

The Executive Committee requested that the Finance Corp. take the following actions: 1) enter into a licensing agreement with CSAC, agreeing to guarantee that Finance Corp. profits go to CSAC in exchange for the use of the CSAC brand and logo; 2) add two additional supervisors to the Finance Corp. Board, specifically the sitting CSAC Treasurer and an at-large supervisor selected by the Executive Committee; and 3) amend the Finance Corp. Bylaws to give the CSAC Executive Committee appointment power over all Finance Corp. Board appointments. President Gioia indicated that the two main principles driving this request are the security of the revenue stream from the Finance Corp. to CSAC and accountability of the governance structure.

Following a lengthy discussion, President Saladino indicated that the Finance Corp. Board will be meeting next week and will add the request to the meeting agenda.

Meeting adjourned.

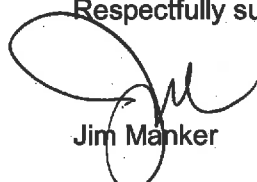
CSAC Executive Committee Report – 8.7.14

1. **Partnership Program Update:** We now are at 58 partners (21 new in 2014). We are communicating with our partners on a regular basis through one-on-one meetings, phone conversations, a monthly partner Enews, and by adding new environments.
 - 19 Premier Partners (New 2014: Dell, Vanir, HP, Microsoft, Ascendian Healthcare Consulting, Pay Per Cloud)
 - 5 Executive Partners (New 2014 : United Health/Optum, Recology, Sierra)
 - 34 Associate Partners (New 2014: CGL Companies, ecoATM, Enterprise, Psynergy Programs, Point & Pay, Sentinel Offender Services, Unisys, Johnson & Johnson, Sierra West Group, Hospital Council of Northern & Central California, OPEX Corporation, and Union Supply)
 - New business for 2014: \$287,000 (in addition to partner renewals from 2013)

2. **Regional Mini-Summits:** We've added three mini-summits to our calendar in hopes of creating other helpful environments to listen and learn from our county officials, CSAC staff and our corporate partners.
 - Mini-Summit Northern California Counties (Tehama County) - May 1 CONCLUDED
 - i. We had over 40 in attendance from 10 Northern Counties with great conversation and feedback. We also had 8 partners in attendance, 2 of whom presented.
 - Mini-Summit Central California (Fresno County) - June 19 CONCLUDED
 - i. We had over 30 in attendance from 9 Central Counties. We also had 6 partners in attendance, with presentations from Vanir Construction Management and Coast2Coast Rx Card.
 - Mini-Summit Central Bay Counties (San Francisco County) – October 2 SCHEDULED
 - i. Please put this event on your calendar and join us for a new CSAC tradition.

3. **PRE WIR SUMMIT Update (King County, WA) – May 17-20:** With the help of Tom Sweet, and NACo, we completed another great PRE event.
 - 30 in attendance from all over the western United States, and 9 partners.
 - Raised over \$5,000 dollars for Vision House, a King County non-profit helping displaced mothers and their children.
 - Included a full day of presentations from a number of County officials, partners and special guests.

Respectfully submitted,



Jim Manker

CSAC Director of Corporate Relations



July 24, 2014

To: CSAC Executive Committee
From: Karen Keene, CSAC Senior Legislative Representative
Re: **ACTION ITEM: CSAC 2014 Water Bond Policy Statement**

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916.441.5507

Recommendation: Staff recommends that the CSAC Executive Committee (Committee) approve the proposed CSAC 2014 Water Bond Policy Statement to guide future action by the CSAC Agriculture, Environment and Natural Resources Policy Committee and the CSAC Board of Directors on a 2014 Water Bond.

Background. In the past 14 years, the California electorate has approved Propositions 13, 50, 84 and 1E that combined provided more than \$14 billion for water and flood related projects and programs in California:

- Proposition 13 (2000/legislatively referred bond act) authorized a **\$1.97 billion** bond to "improve the safety, quality, and reliability of water supplies, as well as to improve flood protection."
- Proposition 50 (2002/Initiative statute) approved issuing **\$3.4 billion** in general obligation bonds for a variety of water projects.
- Proposition 84 (2006/Initiative statute) authorized the State to sell **\$5.4 billion** in general obligation bonds for water and flood control projects.
- Proposition 1E (2006/legislatively referred bond act) authorized the State to sell **\$4.09 billion** in general obligation bonds for various flood management programs.

The current measure slated for the 2014 ballot, Proposition 43 - The Safe, Clean and Reliable Drinking Water Supply Act of 2014, is the product of a comprehensive legislative package crafted in 2009 by Governor Schwarzenegger and state lawmakers. The package was composed of four policy bills and an **\$11.14 billion** bond. The water bond measure was originally set to be on the state's 2010 ballot and was later moved to the 2012 ballot. The Legislature, on July 5, 2012, approved a bill to take the measure off the 2012 ballot and put it on the 2014 ballot. The Safe, Clean and Reliable Drinking Water Supply Act of 2014 (Proposition 43) is an \$11.14 billion general obligation bond proposal that would provide funding for a wide range of water related projects and programs.

In response to claims that the current water bond amount is too high and includes too many earmarks, lawmakers this year have introduced no fewer than nine water bond proposals, all vying to replace the \$11.1 billion measure. After months of hearings, the measures that appeared to be gaining traction were SB 848 by Senator Lois Wolk and AB 2686 by Assembly Member Henry Perea. However, SB 848 fell short of the required two-thirds majority vote needed to pass off the Senate Floor and AB 2686 has yet to be heard by the Assembly Appropriations Committee.

A flurry of negotiations continued prior to the Legislature's summer recess but deliberations were delayed until the Legislature reconvenes in August. The Governor also recently weighed-in, expressing opposition to the bond currently on the ballot and support for a reduced bond. His preference for a smaller bond was validated by the release of his "Water Action Plan Financing Act

of 2014" a \$6 billion water bond. The Governor's preference for a smaller water bond prompted both houses to develop pared down bond proposals. A side-by-side comparison of the three proposals is attached.

Regarding potential options, the Legislature and Governor could allow the voters this year to decide the fate of Proposition 43, replace it with a revamped water bond, or delay consideration of a water bond once again to a future election. It should be noted that in order for Proposition 43 to be removed from the November ballot a 2/3 vote of both houses will be required. The same holds true for the placement of a revised water bond on the November ballot.

The areas of contention remain the overall size of the bond, the level of funding that will be directed towards water storage and whether it should be continuously appropriated, and the level of funding that should be applied to Delta sustainability and how any Delta funding relates, or does not relate, to the Bay-Delta Conservation Planning (BDCP) process.

Regarding support and opposition to Proposition 43, the Association of California Water Agencies, Western Growers and the California Alliance for Jobs signed the argument in support. The argument against is signed by the League of Women Voters, California Tax Reform Association and the Sierra Club. The Delta Counties Coalition has also expressed opposition to the current bond. They are opposed to the bond's inclusion of funding for the development and implementation of the BDCP.

Policy Considerations. CSAC has reiterated its position on water related issues over the years through various policy statements, including, but not limited to support for statutory protection of counties of origin and watershed areas, support for existing water rights, the need for new and expanded water resources, and the need for local water conservation efforts. In addition, since 2000 we have supported three of the four water bonds that were placed before the voters – Propositions 13, 1E and 84. In 2002, we opposed Proposition 50 based on concerns expressed by our Board of Directors over the lack of funding for the development of new water supplies, the large amount of funding for land acquisitions and the consequential impact on local property tax revenues.

Regarding the various water bond bills that were introduced this year, CSAC has relied on existing policy statements and past actions when expressing support for the inclusion of specific elements in a water bond.

Action Requested. Negotiations surrounding a replacement water bond most likely will still be underway by the Committee's August 7th meeting. Consequently, a vote by the Committee on Proposition 43 or one of the water bond bills is premature. Given the importance of having your perspective, CSAC staff recommends that the Committee approve the following CSAC 2014 Water Bond Policy Statement.

CSAC believes that a 2014 Water Bond include the following elements:

- Continuous appropriation of funding for surface and groundwater storage projects.
- Funding for groundwater clean-up and groundwater management planning.
- Funding for watershed management activities, including forest management and fuel treatment projects that reduce wildfire risks and promote watershed health.

- Funding and assistance to help disadvantaged and small communities build and upgrade wastewater treatment systems and finance urgent actions to provide safe drinking water.
- Funding for projects needed to maintain the character and vitality of communities within the Delta.
- Funding for Integrated Regional Water Management programs, local stormwater management and flood protection improvements.
- Protections for area of origin and other water rights to ensure that these existing rights are not diminished, impaired, or otherwise affected by the provisions of the bond.

This statement is based upon existing CSAC policy direction on water, is consistent with CSAC actions on prior water bond measures and it affirms the communications we have made to date concerning a water bond. Assuming that a water bond will be on the 2014 ballot, the statement would also serve as guidance to the CSAC Agriculture, Environment and Natural Resources Committee and CSAC Board of Directors when approving a CSAC position on the ballot measure.

Staff Contact. Please contact Karen Keene (kkeene@counties.org or (916)327-7500 x511) or Cara Martinson (cmartinson@counties.org or (916) 327-7500 x504) for additional information.

SB 848 (Wolk)- \$7.5 billion

The Safe Drinking Water, Water Quality and Water Supply Act of 2014

Ch. 5: Safe Drinking Water Projects- \$2.35 billion

- \$70m to SWRCB for public health emergency actions
- \$285m to SWRCB for safe drinking water projects
- \$825m for IRWM projects
- \$1b for groundwater treatment and remediation
- \$70m for groundwater management plans
- \$100m for water conservation and efficiency

Ch. 6: Water Quality- \$2.3 billion

- \$290m to SWRCB for small community wastewater treatment projects
- \$330m to SWRCB for stormwater capture and reuse
- \$500m to SWRCB for water recycling and advanced treatment technology projects
- \$165m for state obligations/settlements
- \$780m for statewide watershed improvements
 - \$446m for state conservancies
 - \$300m for WCB
 - \$34m for OPC
- \$135m to Natural Resources Agency for multi-benefit watershed and urban rivers projects
- \$20m for resource conservation district watershed activities
- \$15m for ag runoff projects
- \$65m to WCB for wildlife refuges

Ch. 7: Sacramento San Joaquin Delta - \$850 million

- \$500m to Delta Conservancy for Delta ecosystem restoration and sustainability projects
- \$350m to DWR for Delta levee and flood projects

Ch. 8: Statewide Water System Operational Improvement for Drought Preparedness - \$2 billion

- \$2 billion in funding for surface and groundwater storage projects. *Continuously appropriated to the Water Commission.*

AB 2686 (Perea)- \$10.25 billion

The Clean, Safe, and Reliable Drinking Water Supply Act of 2014

Ch. 5: Clean, Safe and Reliable Drinking Water - \$1 billion

- \$200m for small community wastewater treatment projects
- \$100m for public health emergencies
- \$400m for safe drinking water infrastructure
- \$50m for CA public universities for water quality and use efficiency research and education

Ch. 6: Protecting Rivers, Lakes, Streams, Coastal Waters, and Watersheds - \$1.5 billion

- \$750m for statewide watershed improvements
 - \$535m for state conservancies
 - \$175m for WCB
 - \$40m for OPC
- \$150m for urban creeks
- \$100m for multibenefit watershed and urban river enhancement
- \$500m for interstate/multiparty agreements

Ch. 7: Climate Change Preparedness for Regional Water Security and Drought Preparedness - \$1.5 billion

- \$1 billion for IRWM
- \$250m for water conservation and efficiency
- \$350m for local and regional conveyance projects
- Up to \$250m for stormwater management

Ch. 8: Sacramento-San Joaquin Delta Sustainability - \$2.25 billion

- Delta levee maintenance and improvement
- Ecosystem protection and restoration

Ch. 9: Statewide Water System Operational Improvement and Drought Preparedness - \$3 billion

- Calfed Reservoirs (except Shasta)
- Groundwater storage and clean-up
- Conjunctive use and re-op projects
- Local/regional surface storage projects

Ch. 10: Water Recycling - amount TBD

- Water recycling
- Contaminant removal

Ch. 11: Groundwater Sustainability - \$1 billion

- Prevention and cleanup of groundwater contamination

Water Action Plan Financing Act of 2014

\$6 Billion

Water Quality and Water Supply Reliability - \$1.5 billion

- Drought management (DWR, DFW, SWRCB)
- Prevent and reduce groundwater contaminants and provide sustainable groundwater management support (technical assistance and planning grants for locals)
- Provide clean, safe and reliable drinking water to all Californians. (With minimum to leverage federal funds for safe drinking water and clean water programs.)
- Integrated regional water management (with minimum for direct expenditure for disadvantaged communities)
- Water conservation, wastewater treatment, water recycling and stormwater capture.

Watershed Protection, Watershed Ecosystem Restoration, State Settlements - \$1.5 billion

- For water-related habitat and water quality in watersheds and for state settlement obligations including CVP/IA

Storage - \$2 billion

- For water storage projects continuously appropriated

Sacramento-Dan Joaquin Delta - \$500 million

- For Delta levee subvention programs/delta flood protection projects/ecosystem restoration and science related to the Delta Plan and Delta Reform Act

Statewide Flood Management - \$500 million

- Statewide flood management projects and activities

General Provisions

- Funding eligibility requires urban or agricultural water management plans and compliance with 2009 Water Conservation Act
- Bay Delta Conservation Plan neutral
- Protects existing water rights and reaffirms area of origin protections



July 23, 2014

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To: CSAC Executive Committee

From: Supervisor Bruce Gibson, Chair, CSAC Government Finance and Operations Policy Committee

Re: **Proposition 44: State reserve policy – ACTION ITEM**

Recommendation: The Government Finance and Operations Policy Committee recommends a position of “support” on Proposition 44, a measure that amends the California Constitution to change the provisions of the state's existing budget reserve requirements. The policy committee approved this recommended position at its meeting on July 23.

Background: Proposition 44 was placed on the ballot by the Legislature upon the unanimous approval of ACA 2X 1 (Perez), a measure that reflected a bipartisan agreement to enact changes to the state's existing budget reserve requirements. Recall that Governor Jerry Brown proposed strengthening the state's budget reserve policy as a component of his 2014-15 Proposed Budget. ACA 2X 1 (Proposition 44) replaces ACA 4 (Gatto, 2010), a previously approved constitutional amendment regarding the state's budget reserve policy.

California currently has two principal General Fund reserve accounts:

Special Fund for Economic Uncertainties. The Constitution directs the Legislature to establish a “prudent” reserve that it deems reasonable and necessary. However, the Constitution does not specify the size of the reserve or the conditions under which funds must be placed in the reserve. This general reserve is about \$449 million in the final 2014-15 state budget.

Budget Stabilization Account (BSA). In addition to the general reserve noted above, voters also approved the establishment of the Budget Stabilization Account with the passage of Proposition 58 in March 2004. The BSA is to receive 3% of estimated annual General Fund revenues until the account balance reached \$8 billion or 5% of General Fund revenues, whichever is greater. During the time that the Economic Recovery Bonds (ERBs) are outstanding, 50% of the annual transfers to the BSA are to be used to pay off those bonds. The BSA is about \$1.6 billion in the final 2014-15 state budget.

There is significant flexibility regarding transfers to the BSA, with the ability to suspend or reduce transfers during a fiscal year with an Executive Order. The state deposited funds to the reserve twice (in 2006-07 and 2007-08) but subsequently used the funds during each of those years. Since then, the state has suspended the transfer of funds to the BSA.

Proposition 44 would make a number of changes to the existing constitutional requirements for a budget reserve, including:

Reserve Fund Deposits. Proposition 44 requires annual deposits to the reserve fund equal to the sum of (a) 1.5% of General Fund revenues and (b) an amount equal to revenues derived from tax liabilities associated with capital gains, if and to the extent that such revenues are in excess of 8% of General Fund revenues. The deposits would start October 1, 2015 and will be made until and unless the account balance reaches an amount equal to 10% of General Fund revenues.

Diversion for Debt Payments. For fiscal years 2015-16 until 2029-30, 50% of the revenues that would otherwise be deposited into the budget reserve must be used to pay for unfunded prior year General Fund obligations, budgetary loans to the General Fund, payable claims for mandates incurred prior to 2004-05, and unfunded liabilities of the state's pension plans (CalPERS and CalSTRS). After this period, up to 50% of revenues that would otherwise be deposited in the reserve fund may be used to pay such specified obligations in lieu of being deposited.

Revenues in Excess Balance Requirement. In the event the reserve fund reaches a balance equal to 10% of General Fund revenues, additional revenues that would otherwise be deposited in the reserve fund may be expended only for infrastructure costs, including deferred maintenance.

Reserve Withdrawals and Deposit Suspensions. If the Governor declares a budget emergency, the Legislature may suspend or reduce required deposits to the reserve fund and return and appropriate funds that have been deposited in the reserve fund. No more than 50% of the reserve fund balance may be withdrawn for appropriation. An emergency is defined as (1) a disaster condition, man-made or natural or (2) a determination by the Governor that estimated resources are inadequate to fund General Fund expenditures over the most recent three prior years, after accounting for cost-of-living adjustments and population growth.

Proposition 98 Reserve. Proposition 44 establishes the Public School System Stabilization Account or "Proposition 98 reserve," funded by a transfer of that portion of revenues derived from tax liabilities associated with capital gains that are in excess of 8% of General Fund revenues and allocable to the Proposition 98 guarantee. Transfers would occur if the state: has met total school funding requirements as increased for enrollment growth and the higher of two cost-of-living factors; has repaid and allocated the current Proposition 98 maintenance factor amount; is in a Proposition 98 Test 1 funding level; the transfer is no more than the difference between the Test 1 and Test 2 levels of funding; is not accruing Proposition 98 maintenance factor; and has not suspended Proposition 98 in the year of the transfer.

Funds are appropriated from the Proposition 98 reserve in circumstances when the amount required to be applied by the state for the support of K-14 education exceeds the allocation of General Fund revenues, allocated property tax revenues, and other available resources. Funds transferred to the Proposition 98 reserve are considered Proposition 98 revenues in the year of the transfer, not in the year in which such funds are appropriated from the reserve.

The LAO analysis of Proposition 44 notes that this measure may lead to smaller reserves in local school districts. This is due to a provision in the education budget trailer bill approved by the Legislature and signed by the Governor that only takes effect if Proposition 44 passes; this provision would set a cap on the maximum amount of

reserves a local school district may keep in any year after a transfer is made to the Proposition 98 reserve (the law already requires minimum reserve levels for school districts). The bill, SB 858, was the source of a great deal of controversy at the end of the budget debate, with local school officials voicing strong concerns about the ability to weather economic downturns if the state places limits on their ability to reserve funds. The LAO notes that this law may be changed in the future by the Legislature.

Administrative Provisions. The Administration is required to prepare specific estimates of General Fund proceeds of taxes, tax revenue derived from capital gains, and subsequent follow-up calculations, and schedules relating to debt payments in lieu of deposit into the reserve.

The Administration prepared an estimate of the transfers and debt repayments under the first year of Proposition 44 at the May Revision.

**Calculation of Rainy Day Amounts
At 2014-15 May Revision
(\$ in millions, rounded)**

| | 2015-16 | 2016-17 | 2017-18 |
|---|----------------|----------------|----------------|
| Annual 1.5% of General Fund Revenues | \$1,698 | \$1,773 | \$1,854 |
| Capital Gains Tax Revenue in Excess of 8% of General Fund Taxes (net amount attributable to Prop. 98) | \$174 | \$233 | \$341 |
| Total Rainy Day Amount | \$1,872 | \$2,005 | \$2,195 |
| Debt Repayment (50%) | \$936 | \$1,003 | \$1,097 |
| Deposit to Rainy Day Fund (50%) | \$936 | \$1,003 | \$1,097 |

Proposition 44 is supported by Governor Jerry Brown, as well as the four legislative leaders, State Controller John Chiang, the California Democratic Party, and California Forward. The measure is opposed by Ellen Brown, a Green Party candidate for State Treasurer and Educate Our State, a "bipartisan grassroots volunteer nonprofit parent-led organization uniting tens of thousands of Californians committed to improving public education."

Policy Considerations: To the extent that counties' collective fiscal health is significantly reliant on the fiscal health of the State of California, a properly functioning state reserve policy is an important component of responsible budgeting. Staff notes that the rating agencies Moody's Investors Service, Standard and Poor's and Fitch Ratings have responded positively to the passage of the new rainy day fund measure, with Moody's recently upgrading the state's credit rating from A1 to Aa3.

The establishment of a state reserve generally comports with CSAC's platform to ensure adequate financing of state-county programs and to ensure prompt payment for mandated obligations.

Action Requested: The Government Finance and Operations Policy Committee recommends a position of "support" to the CSAC Executive Committee. Upon Executive

Committee approval, the recommendation for a position on Proposition 44 will then be forwarded to the CSAC Board of Directors for consideration at its meeting in September.

Staff Contact: For additional information, please contact Jean Kinney Hurst at jhurst@counties.org or 916.327.7500 ext. 515.



July 14, 2014

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TO: Supervisor Kathy Long, Chair, CSAC Health & Human Services Policy Committee
Supervisor Ken Yeager, Vice Chair, CSAC Health & Human Services Policy Committee
Members, CSAC Health & Human Services Policy Committee

FROM: Kelly Brooks-Lindsey, Senior Legislative Representative
Farrah McDaid Ting, Legislative Representative
Faith Conley, Legislative Representative
Michelle Gibbons, Legislative Analyst

Re: **Proposition 46: "The Troy and Alana Pack Patient Safety Act of 2014" regarding MICRA – ACTION ITEM**

Recommended Action: CSAC staff recommends that the Health and Human Services Policy Committee adopt an OPPOSE position on Proposition 46, The Troy and Alana Pack Patient Safety Act of 2014.

Background: The Medical Injury Compensation Reform Act (MICRA) was developed during a special session of the California Legislature and signed into law by Governor Jerry Brown during his first term in 1975. Brown and lawmakers were responding to rapidly increasing medical malpractice costs that threatened the ability of medical facilities and providers to continue operations in the state. The legislative response provided MICRA medical liability tort reform policy and set the maximum amount that can be paid to plaintiffs for noneconomic damages – commonly referred to as pain and suffering awards – at \$250,000. Currently, injured parties who mount medical malpractice suits may sue for both economic damages – that is, funds to compensate for the loss of income or medical bills – and noneconomic damages, which include pain and suffering. MICRA caps only the noneconomic damages portion of medical malpractice suits. The California Supreme Court upheld MICRA in 1985 (*Lawrence Fein v. Permanente Medical Group*), and the United States Supreme Court subsequently declined to review the case.

MICRA is periodically the focus of state legislation as consumer attorneys and patient protection groups seek to amend MICRA for the purposes of increasing the amount of pain and suffering awards. A legislative compromise on MICRA has been elusive to date, despite Senate President pro Tempore Darrell Steinberg's efforts in recent years to broker a solution. He introduced Senate Bill 1429 earlier this year, but the measure has not yet moved through the policy process, and the Consumer Attorneys of California and Consumer Watchdog have chosen instead to place the issue before California's voters in November with Proposition 46, The Troy and Alana Pack Patient Safety Act of 2014.

Summary: Proposition 46, The Troy and Alana Pack Patient Safety Act of 2014, would enact changes to the MICRA limit on noneconomic medical malpractice awards effective January 1, 2015. Among other things, the measure would:

- Raise the noneconomic damages cap for medical malpractice from \$250,000 to approximately \$1.1 million. (The increase is calculated by retroactively applying the Consumer Price Index (CPI) to the existing \$250,000 cap since it was adopted in 1975. The measure would also increase the potential award amount limits on a prospective basis as measured by the CPI.
- Require hospitals to randomly test physicians for alcohol and drug use and requires physicians to submit to substance use tests within 24 hours after an adverse event. Physicians who fail to comply within 12 hours of learning of an adverse event may have their state medical licenses suspended.
- Require medical professionals to report suspected drug or alcohol impairment or failure to follow the appropriate standard of care to the state Medical Board of California (Board) and give the Board the authority to test physicians suspected of substance use or alleged standard of care failures.
- Require physicians to pay for the costs of the substance use tests.
- Require hospitals to report any positive test results or refusals of a physician to submit to the test to the Board. The Board may then suspend the physician's license until an investigation and hearing are complete.
- Require health professionals and pharmacists to consult the Controlled Substance Utilization Review and Evaluation System (CURES) maintained by the state Department of Justice prior to prescribing or dispensing controlled substances to a patient for the first time. Failure to do so could result in disciplinary action by the health care practitioner's licensing entity. (Current law requires prescribers and pharmacists to obtain access to CURES by January 1, 2016, but does not require a consultation prior to prescribing or dispensing controlled substances.)

Fiscal Impacts: The Legislative Analyst's Office (LAO) indicates that the passage of Proposition 46 would result in an increase in medical malpractice insurance premium costs averaging ten percent – potentially more than \$100 million dollars – which will directly impact the physicians and facilities that purchase medical malpractice insurance as well as the patients served by those entities. This includes both state and county entities. Further, the LAO anticipates an increase in the overall award amounts and settlements in medical malpractice cases as well as an increase in the overall number of injury claims.

Proposition 46 will also increase oversight and administrative costs for a number of state health-related Boards, including the state Medical and Pharmacy Boards, as well as investigation and prosecution costs for the state Attorney General's Office.

Potential County Impacts: The initiative has the potential to significantly increase county costs due to our unique role as operators of public hospitals and clinics, providers of health care, and employers who purchase health care insurance for both county employees and retirees.

- **Counties as providers.** County hospitals and clinics employ health care providers in hospitals and clinics, often choosing to self-insure against the risk of medical malpractice claims. This means that any increase in costs for medical malpractice cases will be directly borne by self-insured counties. Further, for counties that purchase medical malpractice insurance, the increase in medical malpractice claims will drive increases in premiums. Counties anticipate that increasing the cap on noneconomic damages would increase any settlements or awards paid by counties. Additionally, the number of attorneys willing to litigate on noneconomic damages would likely increase, which also has the potential to increase settlements and awards.
- **Counties as employers.** Counties will also bear the costs of additional medical malpractice suits and increases in noneconomic damages through rising health care insurance premiums associated with county employees and retirees.

Staff Comments: The MICRA noneconomic damages cap has been subject to intense scrutiny and opposition from consumer attorneys and patient protection groups since its inception 39 years ago. CSAC supports the existing MICRA cap and is a member of the Californians Allied for Patient Protection (CAPP) coalition, which in opposes legislation that would increase MICRA. CAPP was created in 1991 and is a broad-based coalition of physicians, dentists, hospitals, community clinics, health centers, nurses, emergency providers, public safety, local governments, labor unions, and other health care professionals from throughout California who oppose changes to existing MICRA statute.

CSAC has generally opposed legislative measures that would weaken existing MICRA statute.

Staff Recommendation: CSAC staff recommends that the Health and Human Services Policy Committee adopt an OPPOSE position on Proposition 46, The Troy and Alana Pack Patient Safety Act of 2014.

Any recommendation adopted by the CSAC Health and Human Services Policy Committee will be forwarded to the CSAC Executive Committee for consideration during that body's August 7, 2014 meeting. The Executive Committee's recommendation will then be forwarded to the full CSAC Board of Directors for consideration of the Association's formal position on Proposition 46 on September 4.

The California statewide General Election will be held on Tuesday, November 4, 2014.

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July 24, 2014

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TO: CSAC Administration of Justice Policy Committee

FROM: Elizabeth Howard Espinosa, Senior Legislative Representative
CSAC Administration of Justice Policy Committee

Re: **Recommended Position on Proposition 47, *The Safe Neighborhoods and Schools Act* – ACTION ITEM**

Recommended Action: Staff recommends that the Administration of Justice Policy Committee take **NO POSITION** on Proposition 47, the Safe Neighborhoods and Schools Act.

CSAC POLICY COMMITTEE REVIEW

In broad terms, Proposition 47 is a sentencing reform initiative, which would reduce penalties for specified crimes. It also would reinvest assumed savings into three categories of treatment and intervention. The CSAC Officers referred Proposition 47 to the Health and Human Services (HHS) and the Administration of Justice (AOJ) Policy Committees for joint review to permit analysis of both sentencing changes and proposed system investments. The HHS policy committee will meet on July 28 to discuss the measure; its analysis will focus on how the proposed system investments of assumed savings associated with Proposition 47's implementation will impact counties. The AOJ committee will review and analyze the impacts of changes on the criminal justice system.

The recommendation of both committees will be forwarded to the CSAC Executive Committee for review at its August 7 meeting. The CSAC Board of Directors will review and take final action on this and other ballot measures at its September 4 meeting.

BACKGROUND

Crimes generally are classified into one of three categories, from the most to least serious: felonies, misdemeanors, and infractions. There are important subcategories within these classifications, especially in the felony class. Sentencing changes enacted pursuant to 2011 Public Safety Realignment (AB 109) mean that offenders convicted of certain lower-level felonies (non-serious, non-violent, non-sex offenses) now serve their sentences in county jail. Prior to 2011 Realignment, felony sentences generally were served in state prison.

If approved by the voters at the November 2014 General Election, Proposition 47 would make all of the following changes:

1. Reduce penalties for certain offenders convicted of non-serious and non-violent drug and property crimes;

2. Allow persons currently incarcerated for these specified non-serious and non-violent crimes to seek resentencing;
3. Create a mechanism by which state correction system savings associated with these sentencing changes would be calculated;
4. Redirect identified state savings to three categories of prevention and treatment.

We explore each of these four main components in more detail below.

PENALTY CHANGES

Proposition 47 would reduce existing penalties for six specific non-serious, non-violent crimes: petty theft, commercial burglary (creating a new carve-out for shoplifting), receiving stolen property, writing bad checks, forgery, and drug possession. The changes generally reduce these crimes from felonies or wobblers (crimes for which either a felony or a misdemeanor can be charged) to misdemeanors. However, convictions for these crimes could still be charged as felonies if the person is required to register as a sex offender or has a prior conviction of a “super strike” as defined in Penal Code Section 667(e)(2)(C)(iv).¹

RESENTENCING PROVISIONS

Persons serving a prison sentence for a felony conviction for crimes that, under the provisions of the initiative, are reclassified as misdemeanors would be permitted to seek court review for purposes of resentencing. The initiative gives the court guidance for considering how to exercise its discretion in determining whether a person seeking resentencing poses “an unreasonable risk of danger to public safety².” Among the factors the court may consider: 1. The person’s conviction history – including types of crimes committed, extent of victim injuries, and length of prior prison commitments; 2. The petitioner’s disciplinary and rehabilitative records; and 3. Any other evidence the court deems to be relevant in making the determination of risk.

Successful petitioners would be given credit for time served and subject to parole supervision for one year following completion of their sentence, although the court may waive parole as part of its resentencing determination. The initiative prohibits a person from receiving a longer sentence by virtue of resentencing than he or she otherwise would have had. Persons with “super strike” convictions or who are subject to sex

¹ This section enumerates eight specific offenses or categories of offenses that are serious or serious *and* violent, including, among others, murder, sexually violent offenses, possessing a weapon of mass destruction, child sexual abuse, and any other felony offense punishable by life imprisonment or capital punishment. Section 667 (e)(2)(C)(iv) was enacted by Proposition 36 (2012), the three-strikes reform. Under the latter initiative, persons seeking resentencing (if their third strike was neither serious nor violent) are ineligible if they have a previous “super strike.”

² For purposes of the initiative, “unreasonable risk of danger to public safety” is defined as the risk that the petitioner will commit a new violent felony (i.e., “super strike”) enumerated in Penal Code Section 667(2)(C)(iv), as described in the footnote 1.

offender registration requirements are not eligible to seek resentencing. Petitioners must file for resentencing within three years of the initiative's effective date or, upon showing of good cause, at a later date. Successful petitioners would still be barred from possessing or owning a firearm.

PROCESS FOR CALCULATING STATE CORRECTIONS SYSTEM SAVINGS

The initiative would create a "Safe Neighborhoods and Schools Fund" (Fund) within the state treasury and would establish a process by which the Department of Finance would calculate the annual state-level correctional system savings associated with implementation of the initiative's provisions. The measure specifies the timing of the savings calculation (before July 31, 2016 and on or before July 31 of every subsequent year) as well as the transfer of any savings (before August 15 of each year beginning in 2016) into the Fund. The measure further specifies that expenditures from the Fund must be made exclusively on the purposes outlined in the Act³ and may be made without regard to fiscal year. Further, the Act bars the Legislature from transferring or appropriating resources from the Fund for purposes other than those outlined within.

REDIRECTION OF STATE SAVINGS

The provisions of Proposition 47 direct the State Controller by August 15 of each year, beginning in 2016, to distribute the state savings in the Fund as follows:

- 65 percent to the Board of State and Community Corrections for grants to public agencies aimed at supporting **mental health and substance use disorder (SUD) treatment as well as diversion programs** for people in the criminal justice system – with a particular focus on recidivism reduction for those convicted of less serious crimes (such as those reclassified by the measure) and for those with mental health or SUD treatment needs.
- 25 percent to the Department of Education dedicated to a grant program **supporting K-12 truancy reduction programs or assisting at-risk students or those who are victims of crime;**
- 10 percent to the Victim Compensation and Government Claims Board for grants to support **trauma recovery centers.**

Each of the three recipient state entities would be permitted to spend up to 5 percent of the total funds to cover administrative costs associated with the new programmatic responsibilities. The State Controller would be required to conduct an audit of the grant programs in the three categories outlined above to ensure expenditures are targeted to only the purposes specified in the initiative. Findings must be reported to the Legislature and the public. Non-supplantation provisions would apply.

³ The stated purpose of the Fund is to "expand programs for public school pupils in kindergarten through 12th grade, victims of crime, and mental health and substance abuse treatment and diversion programs for people in the criminal justice system."

Further, the measure specifies that local agencies – presumably those awarded a grant under the initiative – would not be required to provide programming or levels of service above what the funding provided can cover. Finally, any costs incurred by the State Controller or Department of Finance for their assigned activities associated with the Act’s implementation may also be deducted from the Fund before distributions are made.

The initiative could be modified by a two-thirds vote of the Legislature, but only if the changes furthered the purpose of the original measure.

ESTIMATED FISCAL/WORKLOAD IMPACTS

The Legislative Analyst’s Office (LAO) indicates that the passage of Proposition 47 would potentially result in a net savings for the state criminal justice system in the “low hundreds of millions of dollars,” which would be deposited into the Fund as described previously. The state savings are estimated based on presumed reductions in the state prison population (given the reduction in prison-eligible crimes), which are in part offset by increased costs in state parole responsibilities and potential state court costs for resentencing proceedings. The LAO also assumes a similar level of county criminal justice system savings; any such savings achieved would remain locally and would not be subject to redirection. In terms of sheer numbers, the proponents assume – through their independent analysis – that 10,000 persons would benefit from either the resentencing provisions or shortened terms at the local level annually.

It is extraordinarily difficult to assess the likelihood that the state or local savings estimates offered by the LAO would be achieved. Indeed, in its analysis, the Analyst acknowledges that the fiscal impacts are subject to numerous assumptions and unknowns and, therefore, are “subject to significant uncertainty.” Among the complications in attempting to derive system savings are data limitations that prevent clear identification of who – now serving a state prison sentence for one of the affected crime categories – would be subject to resentencing provisions.⁴ Future application (and resulting costs and/or savings of the new sentencing scheme) is largely speculative, including how these changes might affect local sentencing decisions. Finally, future crime trends that drive workload and how these offenders resentenced under the provisions of the Act are sentenced (based on individual judicial decisions) are difficult to predict with any certainty or specificity. CSAC does not have access either to the data or the modeling tools needed to undertake these analyses independently.

For assumed savings for both state and local correctional systems, there are two aspects: the financial benefits of prospective application of the changes and those associated with the resentencing provisions (retrospective). For the state, it will enjoy savings associated

⁴ This limitation largely relates to the way in which the initiative would divide misdemeanor and felony convictions (by setting a new value [\$950] below which a theft or forgery or shoplifting, for example, would be considered only a misdemeanor). Offender-level data do not include this level of case-/crime-specific detail in electronic records.

with fewer offenders being eligible for prison, given the reductions to existing penalties. The LAO assumes that the savings associated with driving down future prison population may translate to several thousand fewer inmates annually on an ongoing basis. Further, the Analyst estimates a temporary prison population reduction resulting from those who leave prison early as a result of resentencing proceedings. As mentioned previously, the state would also experience a likely bump in the state parole population that would offset a portion of the prison savings.

The state trial court system would experience some measurable increase in costs associated with the resentencing workload. Presumably workload reductions (owing to fewer felony trials and less time-intensive court processes for misdemeanor cases) would offset those increases. To the extent that counties' supervision responsibilities drop, there could be a resulting decrease in the number of revocation proceedings.

The table below attempts to summarize the various potential state and local effects. It is important to note that any given county's operational or financial impact is difficult to predict, given the uncertainty about the numbers of offenders in each of these potential cost and workload impact categories. Further, implementation of the initiative's provisions is subject to significant subjective decision-making along the way, and it's difficult to foretell how the system and the persons employed within will adapt and adjust. For example, whether a given county may benefit from reduced jail workload (again, without being able to precisely quantify how concurrent jail workload increases may offset or outstrip workload relief) will largely depend on a county's current capacity. Many counties continue to experience overcrowded jail conditions, so changes in jail population – even if a given jurisdiction were to face a net reduction in custody demand – may only help on the margin. By the same token, each county will experience overall workload increases of potentially varying magnitudes depending on the types of the offenders in each jurisdiction's system.

| State Impacts | Local Impacts |
|--|---|
| <p>↓ in prison population associated with fewer prison-eligible felonies</p> <p>↑ in state parole population for those ordered to state supervision following release or resentencing</p> <p>↑/↓ increase in state court costs associated with resentencing proceedings, but potentially offsetting reduction in workload associated with fewer felony (but potentially more misdemeanor trials)</p> <p>↓ in revocation hearings depending on net numbers of persons on supervision locally</p> <p>↓ in overall prison/parole costs assuming</p> | <p>↑ increase in county jail sentences to the extent that successful petitioners are remanded to the county jail to fulfill the remainder of a misdemeanor term locally</p> <p>↑ increase in county jail sentences for those sentenced to local term who otherwise would have gone to prison</p> <p>↓ in county jail population associated with those offenders who successfully petition for resentencing or who would have previously been subject to a county felony term for crimes now defined as misdemeanors (release, shorter terms, or</p> |

| State Impacts | Local Impacts |
|--|---|
| <p>that targeted interventions and treatment funded by the savings are successful in reducing future victimization and improved offender outcomes</p> <p>✦ The state may also benefit in reaching and maintaining the federal court-ordered population cap, assuming that prison inmate numbers (one-time and ongoing) drop.</p> | <p>perhaps heavier reliance on alternatives to incarceration)</p> <p>↓ in pre-trial jail population given fewer felonies and more misdemeanors</p> <p>↓ in post-release community supervision population for those who would otherwise have exited prison on a county probation caseload but who, under resentencing orders, would be supervised by state parole</p> <p>↓ in other local supervision workload associated with fewer felony offenders / more misdemeanants</p> <p>↑/↓ in workload (district attorney, public defender, court security, probation) associated with court proceedings overall (fewer felony and more misdemeanor proceedings overall and potentially some reduction in revocations)</p> <p>↓ in overall system costs assuming that targeted interventions and treatment funded by the savings are successful in reducing future victimization and improved offender outcomes</p> |

POTENTIAL COUNTY IMPACTS

Criminal Justice System Impacts. One of the more difficult aspects of this analysis relates to how these proposed new sentencing changes would impact county criminal justice system workload. In the previous section, we outline both the potential that certain aspects of the initiative contemplate new county criminal justice system workload, but other aspects may have offsetting benefits. The difficulty is that data available today cannot predict with certainty how the retrospective application of the proposed sentencing changes may work (i.e., impacts of resentencing), and analysis of how the prospective application of the sentencing changes is highly speculative and subject to significant local discretion.

It is important to acknowledge, however, that counties remain deeply engaged in implementation of the largest correctional system reform in a generation. AB 109 fundamentally altered criminal justice system responsibilities with far-reaching impacts most acutely experienced in the local custody and supervision functions. The initiative’s opponents correctly raise concerns about the impact of another wave of sentencing reforms following too quickly on the heels of 2011 Public Safety Realignment. The specific effects of these changes are difficult to quantify, as discussed. Regardless, another round

of changes is likely to shock a system still in flux. Further, to the extent that the changes contemplated by Proposition 47 result in net criminal justice system costs, the state savings are directed to other program priorities and would not be available to local law enforcement partners.

Behavioral Health Investments. There is a clear nexus between investment in behavioral health treatment services and recidivism reduction. Research has shown that treatment investment is likely to reduce future costs associated with crime, policing, and incarceration of offenders. Previous evaluations from the Mentally Ill Offender Crime Reduction Grant Program demonstrate the effectiveness of evidence-based mental health treatment on reducing jail bookings and jail stays.

Given counties' current role as provider of behavioral health services, the grants provided under Proposition 47 could be used to augment local efforts to provide mental health and substance use disorder treatment services to criminally involved individuals. The recidivism reduction efforts could benefit county jails, as well as state prisons. The proposed reinvestments in behavioral health programs and recidivism reduction align with the budget augmentations that CSAC proposed and supported during the 2014-15 state budget discussions.

Counties would presumably be a primary beneficiary of the grant programming targeting offenders with mental health or substance use disorder treatment needs – which would receive the majority (65%) of the state savings.

Truancy Reduction Investments. In addition to investments in behavioral health programs, Proposition 47 includes investments in truancy reduction. There is a body of research that indicates a strong correlation between truancy and future criminal justice system involvement.

Truancy, especially among elementary school students, has long-term negative effects. Students who miss school at an early age are more likely to struggle academically and, in later years, to drop out entirely. One study found that for low-income elementary students who have already missed five days of school, each additional school day missed decreased by seven percent the student's chance of graduating. Lacking an education, these children are more likely to end up unemployed and at risk of becoming involved in crime, both as victims and as offenders. To the extent that the presumed savings are invested in K-12 crime prevention programs, there would likely be some shared benefits across a number of systems – education, social services, health care, and criminal justice – if these efforts reduce future criminal activity of the at-risk youth population.

Trauma Recovery Centers Investments. Trauma recovery centers provide mental health and medical services to individuals who have suffered from violence, trauma and loss. Populations served include victims of domestic violence, survivors of physical assault,

family members of homicide victims, sexual assault victims, individuals who have suffered brain injury as the result of trauma, survivors of torture and gender-based violence for refugees, as well as asylee and asylum-seekers. Initial studies of the trauma recovery center services indicate that the centers increase access to mental health and SUD treatment and decrease homelessness. To the extent that the centers improve outcomes for individuals counties may already be serving, additional funding may be beneficial.

SUPPORT / OPPOSITION

The named proponents of Proposition 47 are George Gascón, District Attorney for the City and County of San Francisco, and William Lansdowne, former police chief in the cities of San Diego, San Jose and Richmond. Other groups that have endorsed the initiative include the California Teachers Association, the California Democratic Party, and AFSCME.

Leading points of support among proponents:

- The sentencing changes are smart on crime, targeted to the lowest level offenders, and built with strict protections in mind to maintain public safety.
- Proposition 47's reforms prioritize serious and violent criminals, freeing up savings to invest in treatment and services that will prevent crime and reduce victimization.
- The initiative would reduce barriers to re-entry for nonviolent offenders, improving the likelihood of success upon community reentry.

Opponents of Proposition 47 include the key statewide law enforcement associations and victims' advocates in California: the California District Attorneys Association, the California State Sheriffs' Association, the California Police Chiefs Association, the California Peace Officers Association, Crime Victims United of California, Crime Victim Action Alliance, the California Coalition Against Sexual Assault, and others.

Leading points of opposition among opponents:

- Sentencing changes threaten public safety and inappropriately reduce criminal penalties, resulting in additional early prison releases.
- Significant new changes to California's sentencing structure and to how responsibilities are split between the state and local criminal justice systems come too soon on the heels of AB 109 implementation. The system remains in a state of flux and a new layer of reforms will destabilize important implementation efforts underway.
- Proposed changes would increase criminal justice system workload, but resulting savings would not benefit local law enforcement.

The ballot arguments – pro, con, and rebuttals to each – recently were made available. Those materials are included in the attachments.

COUNTY POLICY CONSIDERATIONS

At its core, Proposition 47 is a sentencing reform measure. Generally speaking, CSAC does not weigh in on legislative or ballot measures that strictly create a new crime or enhance a penalty for crimes. We did not, for example, weigh in on the original Three Strikes initiative in the 1990s nor did we take a position on the Three Strikes reform measure of 2012 (Proposition 36). However, CSAC opposed the 2000 initiative (Proposition 21) that changed the treatment of juvenile offenders – making it easier to charge juveniles in the adult court – on the basis of increased costs.

Every legislative year, there are dozens if not hundreds of bills that propose to create a new crime or enhance a penalty. Again, CSAC stays out of these bills for two primary reasons. First, there is an inherent conflict in the county criminal justice structure, with county responsibilities spanning both the prosecution and defense functions. The very nature of that structure conflicts CSAC out of these policy matters. Secondly, given the diversity of perspectives among counties about the relative benefits of a more strict vs. more lenient penalty structure, arriving at a consensus across counties on the appropriateness of punishment is unlikely.

Although AB 109 has certainly made all criminal justice partners – including CSAC – more sensitive to the workload dynamics associated with changing penalties and potentially increasing or decreasing those who are eligible for a county jail term vs. a prison term, we have no specific policy related to sentencing reforms. Some could argue that if additional sentencing reforms are called for, a more comprehensive system analysis is warranted.

Perhaps most importantly, we anticipate that the CSAC membership will be evenly divided on this measure. While we are not aware of counties that have weighed in on Proposition 47 to date, there are boards of supervisors that would likely be inclined to support the goals and objectives of the initiative. Conversely, other county boards likely would be sufficiently concerned about the potential overall public safety impacts of the measure that they would be prone to oppose. Reasonable minds can – and do – differ on the relative merits of these policy changes.

CSAC takes very seriously both the strength and substance of the opposition of our local law enforcement partners to this initiative. They are rightly concerned about specific public safety impacts of the initiative's changes. In a broader sense, how would the new responsibilities and workload affect a local correctional system still in flux? At a time when counties continue to adjust to AB 109 implementation and are still working to resolve existing challenges, what will be the effects of a new set of substantive changes? Are our facilities and systems too fatigued to adequately adapt?

Finally, it is important to acknowledge that the initiative will likely help the state to some degree in further driving down its prison population.⁵ Depending on the magnitude of the population impact, the initiative could improve the state's likelihood that it will be able to comply with the population milestones ordered by the federal court. Counties and local criminal justice system remain somewhat vulnerable to other impacts (e.g., other changes imposed by the courts or early releases ordered by the Compliance Officer) until the state is able to reach and maintain the reduced prison population level.

STAFF COMMENTS

Although the specific provisions of Proposition 47 on their face are clear, an analysis of the local criminal justice system impacts is extraordinarily complex. The initiative could impose both increases and partially offsetting decreases in county criminal justice system workload responsibilities. Proposition 47 may produce local system savings that would be available to invest in the criminal justice system. Further, it affirmatively invests state system savings in specified programs and services that could have beneficial effects by addressing mental health and substance use disorder issues among those in the offender population. CSAC actively promoted behavioral health system investments in 2014 as a means to augmenting counties' capacity to improve offender outcomes – which could drive down future criminal justice system impacts. Importantly, however, the initiative causes considerable concern among our public safety system partners, both with the specific implications of the proposed law changes and with respect to an additional layer of responsibilities in an already strained system.

REQUESTED ACTION

Given the difficulty of quantifying specific workload and cost impacts and CSAC's likely lack of organizational consensus on the relative benefits of this measure, staff recommends that the Administration of Justice Policy Committee take **NO POSITION** on Proposition 47.

STAFF CONTACT

For questions on this matter, please contact Elizabeth Howard Espinosa at 916-650-8131 or eespinosa@counties.org.

Attachments:

- Proposition 47 Initiative [text](#)
- Legislative Analyst's Office [analysis](#) of Proposition 47 – July 14, 2014
- Ballot arguments [FOR](#) and [AGAINST](#) Proposition 47 and rebuttals (to [for](#) argument / to [against](#) argument)

⁵ Recall that the state is required to arrive at the court-ordered prison population cap of 137.5% of design capacity (approximately 113,700 inmates) by February 2016. As of July 9, 2014, the state inmate population level was roughly 116,000.



July 21, 2014

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To: CSAC Executive Committee

From: David Twa, President
County Administrative Officers Association of California (CAOAC)
Contra Costa County Administrative Officer

Elizabeth Howard Espinosa
CSAC Senior Legislative Representative

RE: Update on Work of the Realignment Allocation Committee

As you are aware, the Realignment Allocation Committee (RAC) has been meeting over the last many months to develop a recommended distribution methodology for AB 109 funds. Provisions in statute specify the allocation of AB 109 funds out to the 58 counties only through 2013-14, so a new formula directing the distribution of funds beginning in 2014-15 is needed.

Since last Fall, the RAC has considered extensive county input, including an in-person meeting of the county administrative officers' association; sifted through more than 50 potential factors; and tested several dozen scenarios. The RAC landed on a tentative approach that would offer a means to address the overall funding decrease (approximately 10%) from 2013-14 to 2014-15 and phase in a new allocation methodology over several years. However, the RAC has determined that additional time is needed to explore revisions to this approach. Given significant scheduling challenges for the month of July, the RAC has two in-person meetings scheduled in the coming weeks.

The RAC is mindful of timing and the need for additional details. The committee will be working through the CAOAC to communicate the latest developments so that counties are able to operationalize this year's implementation plans with minimal disruption.



July 23, 2014

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TO: CSAC Executive Committee
FROM: Matt Cate, CSAC Executive Director
RE: 2014 NACo Annual Meeting

NACo's four-day Annual Meeting in Orleans Parrish, Louisiana, had a great turnout this year with almost three thousand members in attendance. The conference showcased new research products and publications, networking opportunities, and included dozens of policy meetings — with a significant focus on the reauthorization of federal surface transportation legislation and the proposed EPA regulations on "Waters of the US". The membership also elected new officers and adopted many new policy positions.

The NACo Steering Committees, Board of Directors and general assembly considered well over 100 proposed policy resolutions and platform changes at the meeting, with nearly 100 being adopted by the NACo Board of Directors. The following link will take you to the final packet of resolutions that were adopted at the conference — <http://www.naco.org/legislation/Documents/Final-2014-Annual-Resolutions-Packet.pdf>. Please note that two controversial resolutions, regarding Minimum Wage and Unaccompanied Children, were approved at the General Meeting and are on pages 34 and 68, respectively. In addition, NACo's Board of Directors adopted the CSAC and Orange County joint resolution regarding the Clean Water Act's Section 404 Permit Process (Page 36) and the CSAC and Los Angeles County joint resolution regarding the State Criminal Alien Assistance Program (SCAAP) (Page 72). Several other resolutions sponsored by California counties were also adopted.

The NACo General Assembly also elected Maui County, Hawaii Council Member Riki Hokama as the new NACo president and Leon County, Florida, Commissioner Bryan Deslodge as second vice president. Also elected to new leadership positions were El Paso County, Colorado Commissioner Sallie Clark as first vice president and Linn County, Iowa Supervisor Linda Langston, NACo immediate past president.

Lastly, we thought you would be interested in the following list of California county officials who received NACo presidential appointments as chairs and vice-chairs to various NACo Steering Committees and Subcommittees. Congratulations to all!

Health Steering Committee

Long Term Care Subcommittee-Chair
Shirlee Zane, Supervisor, Sonoma County, CA

Behavioral Health Subcommittee - Chair

Mark Refowitz, Director, Health Care Agency, Orange County, CA

Public Health and Healthy Communities Subcommittee- Vice Chair

Nick Machione, Director/Deputy Chief Administrative Officer, San Diego County, CA

Human Services and Education

Hubert Walsh, Vice Chair
Board of Supervisors, Merced County, CA

Transportation Steering Committee

Ports Subcommittee - Chair
Scott Haggerty, Supervisor, Alameda County, CA

Large Urban County Caucus

Don Knabe, Vice Chair
Supervisor Chairman, Los Angeles County, CA

At-Large NACo Board Members

Salud Carbajal , Supervisor, Santa Barbara County, CA

Information Technology Standing Committee

Webster Guillory, Vice Chair
Assessor, Orange County, CA

Essential County Technology Subcommittee

Webster Guillory, Chair
Assessor, Orange County, CA

David Somers, Member
Director of Public Affairs, Los Angeles County, CA

NACo Membership Committee

Dave Roberts, Vice Chair (for the West)
Supervisor, San Diego County, CA

Healthy Counties Advisory Board

Nick Machione, Vice Chair
Director and Deputy Chief Administrative Officer, San Diego County, CA

Theresa Speiker, Vice Chair
Chief Assistant County Administrator, Contra Costa County, CA

FSC Advisory Board

Keith Carson, Member
Supervisor, Alameda County, CA

Veterans and Military Services Committee

Hubert Walsh, Vice Chair
Supervisor, Merced County CA

Tom Freeman- Member
Commissioner, EDA-Riverside County, CA

International Economic Development Task Force

Tom Freeman, Vice Chair
Commissioner, EDA-Riverside County, CA

Immigration Reform Task Force

Dave Roberts, Vice Chair
Supervisor, San Diego County, CA



July 24, 2014

1100 K Street
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California
95814

Telephone
916.327-7500

Facsimile
916.441.5507

To: CSAC Executive Committee
From: DeAnn Baker, CSAC Director of Legislative Services
Re: **Legislative Update**

This memo outlines some of the outstanding bills that the CSAC legislative staff have identified as high priority issues for the final month of the legislative session. Please don't hesitate to contact staff with your questions.

Agriculture, Environment and Natural Resources

SB 498 (Lara) – SUPPORT

Advances alternatives to landfills by expanding the biomass definition to include non-combustion thermal conversion technologies. This CSAC/ LA County-sponsored bill would provide regulatory certainty and a permitting pathway for conversion technology facilities that process biomass, helping local governments meet their recycling goals while simultaneously producing renewable energy.

SB 1168 (Pavley) – CONCERNS

Establishes a comprehensive statutory groundwater management framework aimed at achieving sustainable groundwater management across the state.

SB 1262 (Correa) – CONCERNS

Establishes within the Department of Consumer Affairs (DCA) a new Bureau of Medical Marijuana Regulation to license dispensing facilities and cultivation sites and processing facilities that provide, process, and grow marijuana for medical use subject to local ordinances.

AB 1739 (Dickinson) – CONCERNS

Establishes a comprehensive statutory groundwater management framework aimed at achieving sustainable groundwater management across the state.

AB 2188 (Muratsuchi) – OPPOSE

Mandates jurisdictions to create a special class of permit specific to rooftop solar, placing these particular permits in front of all other permits.

Employee Relations

SB 1219 (Torres) – SUPPORT

Amends PEPRA to allow public retirees to serve as elected officials without being required to reinstate as employees.

AB 2052 (Gonzalez) – OPPOSE

Expands eligibility for special workers' compensation benefits that are limited in current law to only certain categories of peace officers.

AB 2126 (Bonta) – OPPOSE

Allows either the public agency or employee organization to request mediation if, after a reasonable period of time, the parties fail to reach agreement; would allow differences arising from ANY dispute over ANY matter within the scope of representation, when the obligation to meet and confer exists, to be submitted to a factfinding panel. Currently, the ability for either party to request factfinding only applies to those disputes arising during collective bargaining for a new or successor memorandum of understanding.

AB 2378 (Perea) – OPPOSE

Essentially removes Labor Code Section 4850 benefits from the 104-week limit on aggregate disability payments for work-related injuries that cause temporary disability, thereby providing peace officers with an additional year of temporary disability payments after they've received 4850 benefits and 52 weeks of temporary disability.

AB 2616 (Skinner) – OPPOSE

Establishes a methicillin-resistant staphylococcus aureus (MRSA) workers' compensation presumption for hospital employees.

Government Finance and Operations

SB 69 (Roth) – SUPPORT

Provides an alternative funding source to replace lost Vehicle License Fees (VLF) for four newly incorporated cities in Riverside County.

SB 1129 (Steinberg) – OPPOSE

Makes a number of changes to redevelopment dissolution law, including enforceable obligations, long-range property management plans and compensation agreements, and use of 2011 bond proceeds.

AB 280 (Alejo) – CONCERNS

Requires preclearance from the Secretary of State for certain election-related activities, including boundary changes, changes to district boundaries associated with redistricting, changes to polling locations, among others.

AB 2493 (Bloom) – OPPOSE

Authorizes the use of proceeds from 2011 bonds issued by redevelopment agencies for certain types of projects.

Health and Human Services

SB 1341 (Mitchell) – SUPPORT

Codifies the existing agreement between the Administration, Covered California, and the counties regarding the respective roles of the county-operated State Automated Welfare System (SAWS) and the state-operated California Health Eligibility Enrollment and Retention System (CalHEERS).

AB 2311 (Bradford) – OPPOSE

Alters locally-established General Assistance (GA) eligibility levels to provide for additional county-funded assistance to veterans up to nine additional months in a calendar year.

Drug Medi-Cal Waiver

CSAC is working with the Department of Health Care Services (DHCS) as the state pursues a federal waiver to create a more organized delivery system for the Drug Medi-Cal program. The state is seeking an amendment to the current Section 1115 "Bridge to Reform" Waiver, and released a draft of the special terms and conditions on July 16. The proposed waiver seeks to create model that counties may opt in to that will improve the continuum of care for substance use services, establish an assessment tool to determine the most appropriate level of care, provide case management services, create a provider contracting appeal process, grant counties more oversight and monitoring of providers, and expand the pool of professionals that can provide substance use disorder services.

CSAC has worked closely with the state, the California Behavioral Health Directors Association (formerly CMHDA), and other stakeholders to identify the current problems within the Drug Medi-Cal program, and will be providing input to the draft special terms and conditions.

Housing, Land Use and Transportation

AB 52 (Gatto) – OPPOSE

Provides for a significant expansion of CEQA by including potential substantial adverse impacts to tribal cultural resources as a significant effect necessitating full environmental review.

AB 2471 (Frazier) – OPPOSE

Imposes timelines on the negotiation of a change order for a public works project.



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GUIDELINES FOR POLITICAL REFORM ACT COMPLIANCE

July 2014

The Political Reform Act¹ and its implementing regulations adopted by the Fair Political Practices Commission² ("FPPC) impose limits on gifts and other restrictions on the receipt of travel payments received by specified officials. Locally adopted ordinances or policies may contain even stricter gift restrictions. Though the obligation to comply with the Act and FPPC regulations belongs to the public official, CSAC conducts its operations in a manner that will assist its members meet their obligations. These Guidelines are intended to provide CSAC staff with assistance in addressing issues likely to arise in CSAC's operations that potentially involve gifts or reportable income to public officials. While these Guidelines provide information on activities generally conducted in CSAC's operations, they cannot anticipate every activity. Staff is therefore encouraged to contact CSAC's legal counsel with questions concerning potential gifts or reportable income to public officials. These Guidelines are not intended as legal advice to public officials, who should consult their own counsel or use the resources listed at the end of these guidelines for resources on Political Reform Act compliance.

GIFTS

Specified public officials may not accept gifts from any single source totaling more than \$440 in a calendar year.³ Gifts between \$50 - \$440 per calendar year from a single source are permitted, but must be reported on the Statement of Economic Interest ("Form 700"). Gifts under \$50 per calendar year from a single source do not need to be reported.

Public officials subject to these restrictions include members of the Board of Supervisors and other local elected officers, Planning Commissioners, District Attorneys, County Counsels, County Treasurers, and County Administrative or Executive Officers.⁴ Locally adopted policies may provide for a more restrictive gift limit, or designate a wider group of officials subject to the Political Reform Act's restrictions.

What Is a Gift?

A gift is defined as any payment of benefit given to a public official for which the official does not provide services of equal or greater value.

Examples of Gift:

- Meals, drinks and travel unrelated to work done on CSAC's behalf
- Recreational outings or entertaining (golf, etc.)
- Meals, drinks or entertaining provided at CSAC conferences that are not included as part of the registration fee (i.e., invitation only events, or informal drinks, meals, or other hosted items not open to all conference registrants)
- Gift cards, clothing, electronics, etc.

¹ Gov. Code, §§ 81000-91014.

² Cal. Code Regs., tit. 2, § 18100 et seq.

³ Gov. Code, § 85903.

⁴ Gov. Code, § 87200.

- Prizes won at CSAC Annual Meeting raffles or drawings⁵
- *Practice Pointer:* In general, gifts provided to a public official's family member (spouse, registered domestic partner, or minor child) are considered a gift to the official.⁶ At invitation-only events (e.g., Executive Committee dinners, etc.), the pro-rata share of the event of any guest of the official is a gift to the official.⁷

What is Not a Gift?

- Items that the official returns unused or costs that are reimbursed to CSAC within 30 days⁸
 - *Practice Pointer:* Officials should be notified of the value of the gift as soon as possible after they receive it so if they elect to return or reimburse, they can do so within the 30 days provided by statute.
- Informational / educational material, including free or discounted admission to conferences; however, this exception applies only to the educational component and does not apply to meals provided at the conference⁹
- Plaques/trophies worth less than \$250¹⁰
- Gifts provided to the County rather than to the official
 - *Practice Pointer:* If a good, service, travel payment, or other benefit is provided to a county rather than an individual official, it is not a gift to the official. However: (1) it must be disclosed by the County on FPPC Form 801 or 802 and posted on the County's website; and (2) this exception does not apply to travel payments for Supervisors and other designated officials. Their travel payments, even if made to the County on their behalf, must be individually reported on their Form 700 and are subject to gift and income rules.¹¹

Gifts Not Subject to the Annual Limit: Travel, Lodging and Subsistence Related to Speeches

An official may receive a gift in excess of the \$440 annual gift limit if it is food, travel and/or lodging in connection with making a speech, participating on a panel, or making a substantive formal presentation at a seminar or similar event. Though such benefits are still considered gifts and must be reported if in excess of \$50 from a single source, they are not subject to the annual \$440 limit.¹²

- *Practice Pointers*
 - This exception to the gift limit only applies to food/beverages, travel and lodging the day before, the day of, and the day after the speech or presentation. Gifts received on any other day are subject to the gift limit unless another exemption applies.

⁵ The FPPC has concluded in a recent enforcement action that raffles held at CSAC and League of California Cities meetings to not qualify for the "bona fide contest or competition" exception to the gift rule found at Cal. Code Regs., tit. 2, § 18942, subd.(a)(13).

⁶ Cal. Code Regs., tit. 2, § 18943.

⁷ Cal. Code Regs., tit. 2, §§ 18640, subd. (a), 18946.2, subd. (b).

⁸ Gov. Code, § 82028, subd. (b)(2); Cal. Code Regs., tit. 2, § 18941.

⁹ Gov. Code, § 82028, subd. (b)(1); Cal. Code Regs., tit. 2, §§ 18942, subd. (a)(1), 18942.1.

¹⁰ Gov. Code, § 82028, subd. (b)(2); Cal. Code Regs., tit. 2, § 18942, subd. (a)(6).

¹¹ Cal. Code Regs., tit. 2, §§ 18944-18944.3.

¹² Gov. Code, § 89506; Cal. Code Regs., tit. 2, § 18950.

- Though exempt from the \$440 gift limit, these payments are still gifts that must be reported to the FPPC, and will be considered in determining whether the official has a conflict of interest.¹³
- Food, lodging and travel provided to the official's spouse would still be considered a gift to the official, as noted above.

Who is the Gift From?

If CSAC provides the gift, the gift is from CSAC. If a corporate sponsor either pays for the gift directly or provides CSAC with the money to be used explicitly for the gift, then the gift is from the corporate sponsor.¹⁴ If a corporate sponsor provides CSAC with funding, but does not direct the manner in which the funding is spent, any gift made with those funds is a gift from CSAC.¹⁵

Examples:

- Corporation A gives \$5,000 to CSAC to be a general sponsor of the Annual Meeting, which CSAC uses, at its discretion, to offset a number of costs, including wireless internet, printing educational materials, and hosting a coffee for coastal counties, not covered by the registration fee.
 - Internet and educational materials not a gift, by definition
 - Coffee is a gift from CSAC to those officials in attendance
- Corporation B wants to sponsor the Latino Caucus breakfast at the CSAC Annual Meeting and gives CSAC \$5,000 to be used for the breakfast in exchange for being listed and announced specifically as the sponsor of the breakfast.
 - The pro-rata share of the breakfast is a gift from Corporation B to each official in attendance
- Corporation C and D sponsor a wine reception for the Executive Committee, and pay the costs directly
 - ½ of the pro-rata share of the reception is a gift from Corporation C and ½ is a gift from Corporation D
- CSAC staff member Y picks up the tab for dinner at a nearby restaurant on the last night of the Annual Meeting for a small group of CAOs
 - The pro-rata share of the dinner is a gift from CSAC to each CAO in attendance

¹³ Robey Adice Letter A-00-266 (Dec. 21, 2000).

¹⁴ There are additional requirements imposed by the Political Reform Act if elected officials are requesting sponsorships on CSAC's behalf. If the elected official directly solicits sponsorships, or directs CSAC staff to request sponsorships on his or her behalf, then the elected official has disclosure requirements. (Gov. Code, § 82015, subd. (b).) Also note that the Financial Standards Accounting Board has issued a standard that requires contributions to be used only for the purpose designated by the donor. If CSAC does not spend all of the funds received by a donor that are specified for a particular event, the remaining funds must either be returned to the donor or CSAC must seek permission from the donor to use the remaining funds for another purpose.

¹⁵ Cal. Code Regs., tit. 2, § 18945.

How is a Gift Valued?

In general, the value of a gift is its fair market value at the time it is received by the official.¹⁶ For food, drinks and entertainment, the value of the gift is the official's pro-rata share of the cost.¹⁷ For purposes of determining the pro-rata share, the total cost can be divided by either the total number of actual attendees (preferably using a sign-in sheet) or the total number of RSVP's.¹⁸

INCOME

Officials may have reportable income¹⁹ as a result of participation in CSAC activities. Because the definition of a gift is a payment or benefit for which an official does not provide payment or services of equal or greater value, by definition, if the official provides services to CSAC in exchange for what he or she receives from CSAC, it is not a gift. Even though such payments are not gifts, they still may need to be reported to the FPPC as income.²⁰

- *Practice Pointers*

- There is no annual limit on income, but income in excess of \$500 from a single source in a calendar year must be reported to the FPPC.
- The burden is on the official to prove that the payments or benefits received were equal to or less than the value of the services provided.
- If travel payments are provided, the official must describe on his or her Form 700 the services provided in exchange for the travel payment.

Examples:

- Travel or meals provided to Board members as part of attending Board of Directors meetings. Payment to attend other events for which the Supervisor is not providing services is likely considered a gift.²¹
- Travel and costs provided to a Supervisor to testify in Congress on CSAC's behalf.

CSAC LOBBYING EVENTS INVOLVING STATE OFFICIALS

The Political Reform Act imposes particular rules related to events arranged by CSAC at which State officials whom CSAC lobby are invited and/or present (i.e., Legislative conference reception). The following is a checklist for staff for such events:

¹⁶ Cal. Code Regs., tit. 2, § 18946.

¹⁷ Cal. Code Regs., tit. 2, § 18946.2

¹⁸ Cal. Code Regs., tit. 2, § 18946.2, subd. (c).

¹⁹ "Income" for purposes of the Political Reform Act is not the same as taxable income for purposes of federal and state income tax requirements.

²⁰ See, e.g., Benninghoven Advice Letter I-98-177 (Nov. 12, 1998); Benninghoven Advice Letter I-93-298 (Oct. 15, 1993). The Political Reform Act excludes travel expenses provided by a nonprofit if the nonprofit is exempt from taxation under IRC section 501(c)(3) (the usual subdivision for a charity). CSAC is exempt from taxation under a different subdivision, section 501(c)(4), so reimbursements for travel expenses from CSAC to individual county officials are not excluded from the definition, and must be reported on Form 700.

²¹ See FPPC Form 700 (2013/2014), p. 17.

- ✓ **Gift Limits:** Same as County officials: Any cumulative gift from a single source over \$50 must be reported, and the total annual value cannot exceed \$440.
- ✓ **Invitations:**
 - **Creating a Guest List:** It is unlawful for a lobbyist to act as an agent or intermediary in making a gift to a State official. For events where no fee is charged, CSAC lobbyists may make suggestions about which State officials to invite, but may not have ultimate authority over the guest list, send invitations to State officials, or solicit responses to invitations.²²
 - **Required Language:** All invitations to State officials must state: *“Attendance at this event by a public official will constitute acceptance of a reportable gift.”* This notice must be in at least 8 point Roman boldface type, in a color or print that contrasts with the invitation’s background so as to be easily legible.²³ The letter should include the drop-in exception to the rule, as described below.
- ✓ **Guests:** If the State official brings a guest, the guest’s pro-rata share of the event is a gift to the official.²⁴
- ✓ **After the Event**
 - **Reporting the Gift to the Official:** CSAC must inform the State official in writing the date the gift was given, its value, and description of the gift. Value is determined as outlined above.²⁵
 - **Reporting the Gift to the FPPC:** CSAC must report any gifts to State officials when CSAC files its quarterly activity expense report with the FPPC. This report is due 30 days following each calendar quarter.²⁶
 - **Drop-Ins:** If the State official simply dropped in to a reception or event, did not stay for any meal or entertainment other than background music, and received or consumed only minimal or no appetizers and drinks, the official may notify CSAC in writing of that fact, and CSAC will not have to report his or her attendance as a gift.²⁷
 - **Reimbursement:** If the State official reimburses CSAC within 30 days after the event, the official’s pro-rata share is not a gift, and does not need to be reported by either the official or CSAC. **Note:** CSAC does not have any FPPC reporting obligations for gifts given to local officials.

WHERE CAN OFFICIALS GO FOR HELP?

These guidelines are intended to assist CSAC staff in understanding FPPC requirements when engaging in activities with public officials. It does not constitute legal advice for public officials concerning their obligations under the Political Reform Act. Staff should refer officials to the resources available to them, including:

- FPPC Advice Line: 1-866-ASK-FPPC or advice@fppc.ca.gov
- FPPC’s Local Gift Fact Sheet 2014

²² Gov. Code, § 86203; Cal. Code Regs., tit. 2, § 18624.

²³ Gov. Code, § 86112.3, subd. (a).

²⁴ Cal. Code Regs., tit. 2, §§ 18640, subd. (a); 18946.2, subd. (b); 18943, subd. (c); 18941, subd.

(a).

²⁵ Gov. Code, § 86112.5, subd. (a).

²⁶ Gov. Code, §§ 86111, 86115, 86116, 86117.

²⁷ Cal. Code Regs., tit. 2, § 18640, subd. (b).

Available at: www.fppc.ca.gov/factsheets/LocalGiftFactSheet2014.pdf

- Institute for Local Government Gift Resource Center
Available at: <http://www.ca-ilg.org/GiftCenter>

The FPPC also has a gift tracker app to help officials keep track of the gifts they receive to ensure they do not go over the gift limit. The app is available for Apple and Android devices.

Attachments

- Sample Letter to County Officials Following an Event
- Sample Language to Provide Corporate Sponsors to Report Non-Raffle Gifts to Public Officials
- Sample Letter to State Officials Following CSAC Lobbying Event
- For CSAC Raffles
 - Prize Giveaway Request Form
 - Sample Notice Provided to Officials Winning a Raffle/Drawing
 - Sample Notice Provided to County Winning a Raffle/Drawing

BASIC RULES ON GIFTS AND INCOME

GIFTS

Defined: Any payment or benefit provided to a local official (i.e., those required to file Form 700s with the FPPC) for which the official did not provide payment or services of equal or greater value. (2 CCR 18940(a).)

Disclosure: Any gift, or combination of gifts, received from a single source is reportable if the value of the gift, or the cumulative value of multiple gifts, received from the source in the reporting period is \$50 or more. (2 CCR 18940(d).)

Limit: No local official may receive more than \$440 from a single source in a calendar year. If the cumulative total from any single source exceeds \$440, the local official has violated the Political Reform Act. (Gov. Code § 89503; 2 CCR 18940.2.)

Exception to Limit: Gifts provided in connection with giving a speech, participating in a panel, etc. This applies only to travel, meals, and lodging the day before, the day of, and the day after the presentation. These gifts are not subject to the \$440 annual limit, but still must be disclosed. (Gov. Code, § 89506; 2 CCR 18950.)

Summary

- Gifts under \$50 do not need to be reported
- Gifts, either alone or combined, from a single source between \$50 - \$440 in a calendar year must be reported
- Gifts exceeding \$440 from a single source in a calendar year are prohibited, except if provided in connection with giving a speech, participating in a panel.

INCOME

Provided in exchange for services. The burden is on the local official to prove that payments are income and not a gift by showing that the services provided were equal to the value of payments received. When reporting travel payments as income, the official must describe on the Form 700 the services provided in exchange for the travel payment.

Disclosure: Income in excess of \$500 from a single source in a calendar year must be reported.

Limit: There is no limit on the amount of income that can be received from any source in a calendar year. However, income can create a conflict of interest that could disqualify an official from participating in discussions or taking votes on issues involving the source of the income.

SAMPLE LETTER TO COUNTY OFFICIALS FOLLOWING AN EVENT

[Date]

[Address]

Dear Supervisor _____:

Thank you for your recent participation in the [description of event]. For purposes of complying with your reporting obligations under the Political Reform Act, here is the value of what you received from CSAC as part of the event:

Income:

| | |
|--------------|---------------|
| Description | \$0.00 |
| Description | \$0.00 |
| Total Income | <u>\$0.00</u> |

Gifts:

| | |
|-------------|---------------|
| Description | \$0.00 |
| Description | \$0.00 |
| Total Gifts | <u>\$0.00</u> |

It is the responsibility of each individual public official to report applicable gifts and income to the Fair Political Practices Commission (FPPC). This information is provided to assist you in tracking the income and gifts you have received from CSAC in the event you are required to report them. CSAC does not report this information to the FPPC. As a reminder, gifts from a single source aggregating \$50 or more in a calendar year must be reported. For 2013-2014, the gift limit is \$440 from a single source for a calendar year. However, travel related to giving a speech or participating on a panel, while still a gift, is not subject to the \$440 gift limit. Income of \$500 or more from a single source must also be reported. Some locally-adopted county conflict of interest codes may have additional requirements.

If you have specific questions about your reporting obligations, you may contact the FPPC Hotline at 1-866-ASK-FPPC, or may wish to consult with counsel. If you have questions about the dollar values provided in this letter, please do not hesitate to contact me at 916-327-7500 ext.544 or koropeza@counties.org.

Thank you again for your continued support and involvement.

Sincerely,

* Though CSAC staff believes that the services you provided to CSAC in exchange for these expenses makes them income rather a gift, that decision will ultimately be made by the FPPC. It is incumbent upon each public official to prove that the payments or benefits received were equal to or less than the value of the services provided.

SAMPLE LETTER TO COUNTY OFFICIALS FOLLOWING AN EVENT

[Date]

[Address]

Dear Supervisor ____:

Thank you for your recent participation in the [description of event]. For purposes of complying with your reporting obligations under the Political Reform Act, here is the value of what you received from CSAC as part of the event:

*Income:

| | |
|--------------|---------------|
| Description | \$0.00 |
| Description | \$0.00 |
| Total Income | <u>\$0.00</u> |

Gifts:

| | |
|-------------|---------------|
| Description | \$0.00 |
| Description | \$0.00 |
| Total Gifts | <u>\$0.00</u> |

It is the responsibility of each individual public official to report applicable gifts and income to the Fair Political Practices Commission (FPPC). This information is provided to assist you in tracking the income and gifts you have received from CSAC in the event you are required to report them. CSAC does not report this information to the FPPC. As a reminder, gifts from a single source aggregating \$50 or more in a calendar year must be reported. For 2013-2014, the gift limit is \$440 from a single source for a calendar year. However, travel related to giving a speech or participating on a panel, while still a gift, is not subject to the \$440 gift limit. Income of \$500 or more from a single source must also be reported. Some locally-adopted county conflict of interest codes may have additional requirements.

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Thank you again for your continued support and involvement.

Sincerely,

* Though CSAC staff believes that the services you provided to CSAC in exchange for these expenses makes them income rather a gift, that decision will ultimately be made by the FPPC. It is incumbent upon each public official to prove that the payments or benefits received were equal to or less than the value of the services provided.

Kelli Oropeza
Director of Finance

SAMPLE LETTER TO STATE OFFICIALS FOLLOWING CSAC LOBBYING EVENT

Dear [State Official]:

Thank you for your recent participation in the [description of event]. For purposes of complying with your reporting obligations under the Political Reform Act, here is the value of what you received from CSAC as part of the event:

Description and Date of Event:

Value: \$0.00

Thank you for joining us, and for your continued support of CSAC.

Sincerely,

Kelli Oropeza
Director of Finance

SAMPLE NOTICE PROVIDED TO COUNTY WINNING A RAFFLE / DRAWING

CONGRATULATIONS!

_____ County has won a drawing at the CSAC Annual Meeting as follows:

[description of prize]

[value of prize]

[donor name and address]

[entity's business activity, or its nature and interests]

By accepting this prize, the County agrees and understands that the transfer of this prize is directly from the donor to the recipient. CSAC makes no representations or warranties about the prize, and shall not be liable for the actions or omissions of the donor or other third parties with respect to the prize. This prize is not transferable and may not be redeemed for cash or other alternative goods or services.

This prize may constitute a gift to the County purposes of the Political Reform Act. It is the responsibility of the County to disclose receipt of this gift on its Form 801 or Form 802, and may be required to post the form to its website.

More information about a County's reporting requirements under the Political Reform Act is available on the FPPC's website at: <http://www.fppc.ca.gov/>. You may also wish to consult with counsel if you have specific questions about your reporting obligations.

By signing below, the County agrees to these terms and conditions.

Winning County: _____

Winning County's Authorized Representative:

Signature

Name

Title

Date

SAMPLE NOTICE PROVIDED TO OFFICIAL WINNING A RAFFLE / DRAWING

CONGRATULATIONS!

_____ has won a drawing at the CSAC Annual Meeting as follows:

[description of prize]

[value of prize]

[donor name and address]

[entity's business activity, or its nature and interests]

By accepting this prize, the recipient agrees and understands that the transfer of this prize is directly from the donor to the recipient. CSAC makes no representations or warranties about the prize, and shall not be liable for the actions or omissions of the donor or other third parties with respect to the prize. This prize is not transferable and may not be redeemed for cash or other alternative goods or services.

This prize may also constitute a gift for purposes of the Political Reform Act.* It is the responsibility of each individual public official to report applicable gifts to Fair Political Practices Commission (FPPC). CSAC does not report this information to the FPPC. As a reminder, gifts from a single source aggregating \$50 or more in a calendar year must be reported. For 2013-2014, the gift limit is \$440 from a single source for a calendar year, with limited exceptions. Some locally-adopted county conflict of interest codes may have additional requirements.

More information about your reporting requirements under the Political Reform Act is available on the FPPC's website at: <http://www.fppc.ca.gov/>. You may also wish to consult with counsel if you have specific questions about your reporting obligations.

By signing below, the recipient agrees to these terms and conditions.

Signature

Date

Name

Title

* The FPPC has concluded that prizes won at this raffle constitute a gift, unless they are otherwise excluded from the definition of a gift. Educational materials are not a gift. All other prizes are likely gifts that must be disclosed on your Form 700.

SAMPLE PRIZE GIVEAWAY REQUEST FORM

**NAME OF CSAC EVENT
LOCATION**

Exhibitor Company Name: _____

Contact Name and Title: _____

Address: _____

City/State/Zip: _____

Signature / Date: _____

Phone: _____

Briefly Describe the Prize: _____

Any company or organization planning to conduct a prize drawing from an exhibit booth during the CSAC Annual Meeting Exhibit Hall hours must complete this form. **Remember:** California state law prohibits public officials from receiving gifts valued at \$440 or more. Additionally, the receipt of a gift may subject the recipient to reporting requirement.



CALIFORNIA STATE ASSOCIATION OF COUNTIES
FINANCE CORPORATION

CSAC Finance Corporation
Board Composition Committee Meeting
June 4, 2014

Principles for the relationship between CSAC and the CSAC Finance Corporation

The Board Composition Committee of the CSAC Finance Corporation met to discuss concerns shared by CSAC Executive Director Matt Cate at the December 20, 2013 special meeting of the CSAC Finance Corporation and the CSAC Executive Committee at our joint meeting on April 17, 2014. The Committee understands those concerns as follows:

- There is no formal agreement outlining the relationship between the CSAC Finance Corporation and CSAC ensuring the continued contribution of funds by the CSAC Finance Corporation to CSAC. The concern is that without a formal agreement, CSAC is vulnerable to the CSAC Finance Corporation Board choosing to reduce or eliminate that contribution at its discretion.
- There is a concern that the CSAC Finance Corporation is not adequately accountable to the electorate and/or the CSAC Executive Committee and that this could lead to the CSAC Finance Corporation embarrassing CSAC and/or abandoning CSAC in a manner similar to that of the CSAC EIA.

The Board Composition Committee remains committed to maintaining the CSAC Finance Corporation's separate corporate identity and existence and to preserving its stated mission of providing a broad array of finance, investment, insurance and purchasing services to benefit California counties and related public agencies. The Committee feels strongly that the current structure (arms-length dealings, independence of management and observance of corporate formalities) that was put in place at the recommendation of legal counsel continues to be in the best interest of both entities.

The CSAC Finance Corporation has provided almost \$40 million in revenue to CSAC over the last 28 years, and remains steadfastly committed to increasing our range of services and growing those revenues. However, in recognition of the stated concerns, we are prepared to recommend the following to the full Finance Corporation Board of Directors for approval:

1. The CSAC Finance Corporation will amend its bylaws to add one additional County Supervisor seat to its Board for a total of three County Supervisors and bringing the total number of CSAC Finance Corporation Board members to 11. The three County Supervisor seats will all be

- appointed by the CSAC Executive Committee in a manner that mirrors their own composition. One County Supervisor shall represent the Urban Counties, one shall represent the Suburban Counties and one shall represent the Rural Counties.
2. The bylaws will be further amended to change the current seat reserved for the CSAC Executive Director to one that can be filled by either the CSAC Executive Director or the Treasurer of CSAC at the CSAC Executive Committee's discretion.
 3. A formal contractual relationship will be executed between the CSAC Finance Corporation and CSAC that will incorporate the following terms:
 - a. The CSAC Finance Corporation is to be CSAC's exclusive vehicle for developing, implementing, marketing and operating non-dues revenue generating programs, whether now existing or developed in the future. These programs include, but are not limited to:
 - i. Public Finance Programs (e.g., CSCDA)
 - ii. Cooperative Purchasing Programs (e.g., U.S. Communities)
 - iii. Retirement Programs (e.g., Deferred Compensation via Nationwide Retirement Solutions)
 - iv. Healthcare Programs (e.g., prescription drug discount program, retiree healthcare exchange, on-site employee health care program)
 - v. Pooled Investment vehicles (e.g., CalTRUST)
 - vi. Insurance programs
 - b. In exchange for this exclusive arrangement, the CSAC Finance Corporation will provide all of its annual net revenues (gross revenues less ordinary and necessary business expenses and reserves) to CSAC.
 - c. The CSAC Finance Corporation will have the right to use the CSAC name and logo, and otherwise hold itself out to be an affiliate of CSAC, in all of its activities.

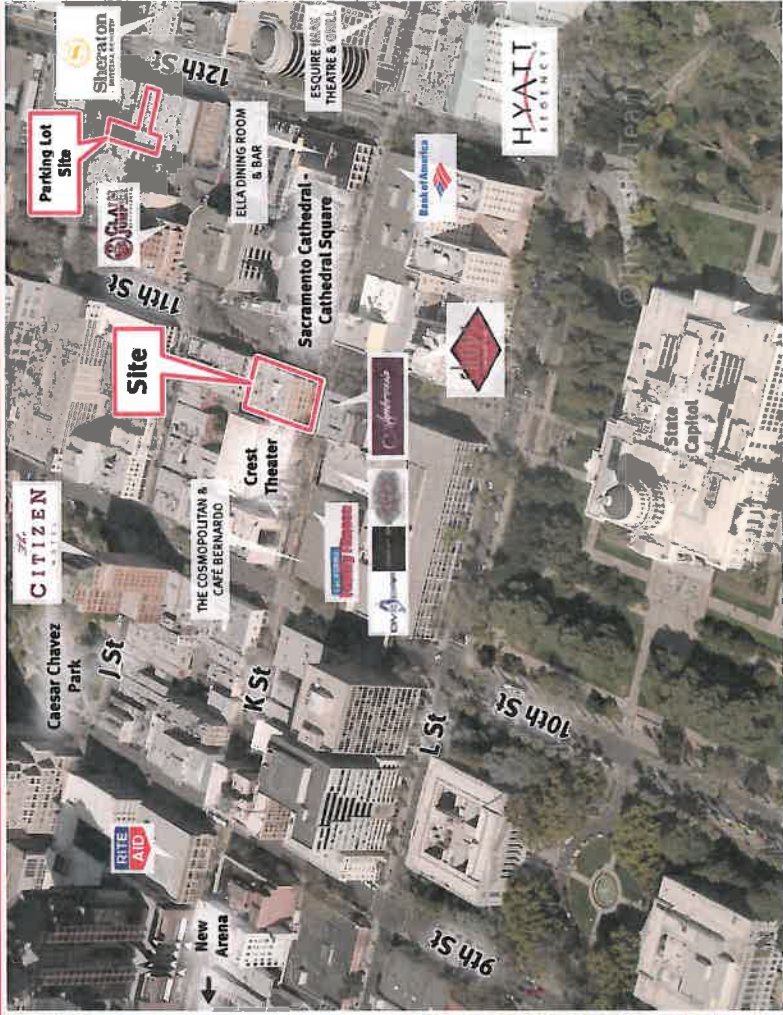
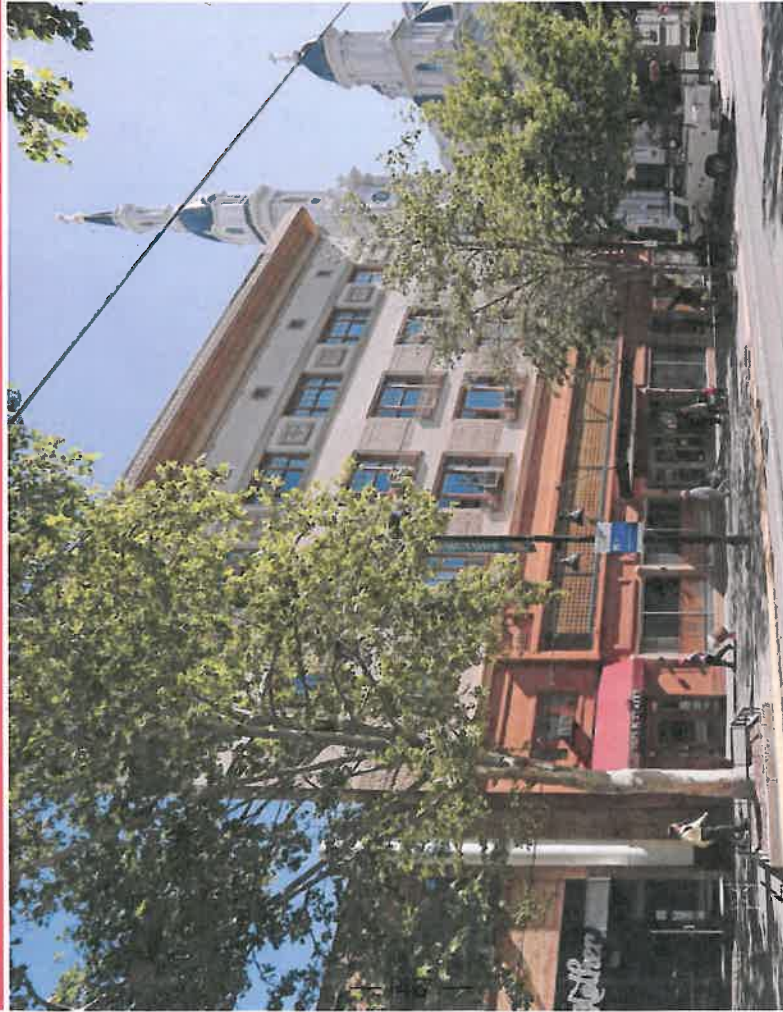
These terms represent the breadth and extent of changes that the members of the Board Composition Committee believe are prudent and workable. Therefore, we stand ready to recommend that the Finance Corporation Board of Directors approve these changes without amendment or further negotiation.

OFFERING MEMORANDUM.

Downtown Sacramento Redevelopment Building & Parking Lot Sacramento, CA



The Maffia Team



**1029 K St & 1020 11th St - \$4,200,000
Parking Lot - Unpriced**

- ◆ Centrally Located along the K Street Corridor at 11th and K Street
- ◆ Blocks away from the New \$477M Downtown Arena and Proposed 1.5 Million SF of Retail, Office, Hotel & Residential Use
- ◆ 2 Blocks from the State Capitol and Sacramento Convention Center

◆ 4-Story, ±35,254 SF Building with Improved Ground Floor Retail Space - 9,495 SF

- ◆ Redevelopment Opportunity
- ◆ Additional 0.22 Acre Parking Lot
- ◆ 51 Surface Spaces with Attendant Station

**Newmark Knight Frank
Cornish & Carey Commercial**
Leased Investment Group



Confidentiality & Disclosure

Cornish & Carey Commercial Newmark Knight Frank ("Broker") has been retained on an exclusive basis to market the property described herein ("Property"). Broker has been authorized by the Seller of the Property ("Seller") to prepare and distribute the enclosed information ("Material") for the purpose of soliciting offers to purchase from interested parties. More detailed financial, title and tenant lease information may be made available upon request following the mutual execution of a letter of intent or contract to purchase between the Seller and a prospective purchaser. You are invited to review this opportunity and make an offer to purchase based upon your analysis. If your offer results in the Seller choosing to open negotiations with you, you will be asked to provide financial references. The eventual purchaser will be chosen based upon an assessment of price, terms, ability to close the transaction and such other matters as the Seller deems appropriate.

The Material is intended solely for the purpose of soliciting expressions of interest from qualified investors for the acquisition of the Property. The Material is not to be copied and/or used for any other purpose or made available to any other person without the express written consent of Broker or Seller. The Material does not purport to be all-inclusive or to contain all of the information that a prospective buyer may require. The information contained in the Material has been obtained from the Seller and other sources and has not been verified by the Seller or its affiliates. The pro forma is delivered only as an accommodation and neither the Seller, Broker, nor any of their respective affiliates, agents, representatives, employees, parents, subsidiaries, members, managers, partners, shareholders, directors, or officers, makes any representation or warranty regarding such pro forma. Purchaser must make its own investigation of the Property and any existing or available financing, and must independently confirm the accuracy of the projections contained in the pro forma.

Seller is a trustee with limited knowledge of the property. Seller makes no representations or warranties as to the substance or accuracy of the information to be provided to a potential buyer.

Seller reserves the right, for any reason, to withdraw the Property from the market. Seller has no obligation, express or implied, to accept any offer. Further, Seller has no obligation to sell the Property unless and until the Seller executes and delivers a signed agreement of purchase and sale on terms acceptable to the Seller, in its sole discretion. By submitting an offer, a purchaser will be deemed to have acknowledged the foregoing and agreed to release Seller and Broker from any liability with respect thereto.

Property walk-throughs are to be conducted by appointment only. Contact Broker for additional information.

Ryan Forsyth
Senior Associate
916.504.4908
rforsyth@ccareynkf.com
Lic #01716551

Greg Thomas
Senior Vice President
916.569.2350
gthomas@ccareynkf.com
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Property Overview

The Investment The subject property offers an exceptional opportunity for an investor to acquire a highly attractive, strategically located, value-add property within the heart of Downtown Sacramento, adjacent to the proposed \$477 million Sports and Entertainment Arena. The property includes the fee simple ownership of an approximately 35,254 square foot, four-story building with ground floor retail space.

- Property Highlights**
- ◆ Excellent Downtown K Street Location adjacent to New Downtown Arena
 - ◆ Two Blocks from State Capitol & Sacramento Convention Center
 - ◆ Extensive Renovations and Seismic Retrofitting in 2005 - Estimated \$2.23M
 - ◆ Previous Ground Floor Restaurant Space
 - ◆ Redevelopment Potential for wide range of uses; Mix-use, Retail, Hotel
 - ◆ In-Place Income from Long-standing Tenants
 - ◆ Currently 35% Occupied Providing Investor with Significant Lease-up Benefit

Location The property is located at 1029 K Street and 1020 11th Street in Sacramento, California.

Lot Size Approximately 0.3029 acres, or 13,149 square feet.

Improvements The property totals approximately 35,254 square feet and is commonly referred to as "Ransohoff's Building." The building was constructed around 1910 for the Mohr and Yoerk pork curing business and deli, with the "Parkview Apartments" above. In 1933, the building was remodeled into the Bon March Department store and Moderne design elements were added. Most recently in 2005, the building was renovated and seismically retrofitted for the restaurant Pyramid Brewery which occupied the ground floor space from 2005 to 2013. The total renovations cost was \$2.23 million.

Parking Lot In addition to the property at 1029 K Street and 1020 11th Street for sale, we are pleased to offer a 9,600 square foot parking lot located at 1122 I Street which can be purchased collectively or independently. The property offers 51 surface spaces with an attendant station and is accessed from J Street and I Street Alley. Currently zoned C-3 SP.



Financial Analysis | Pricing

| | Current | Proforma |
|---------------------------------|-----------|-----------|
| Projected Gross Revenue | \$199,350 | \$545,526 |
| Scheduled Base Rental Revenue | | |
| Conference Room Rental | 24,000 | 24,000 |
| Scheduled Reimbursement Revenue | | 60,285 |
| Total Potential Gross Revenue | \$223,350 | \$629,811 |
| Vacancy (7%) | <0> | <44,086> |
| Effective Gross Revenue | \$223,350 | \$585,725 |

| | | |
|--------------------------|-------------|-------------|
| Annual Expenses | | |
| Common Area Maintenance | \$127,000 | \$127,000 |
| Insurance | 18,858 | 18,858 |
| Real Estate Taxes | 46,200 | 46,200 |
| Total Operating Expenses | <\$192,058> | <\$192,058> |

Net Operating Income \$31,292 \$393,666

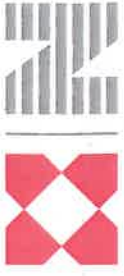
Price: 1029 K St & 1020 11th St **\$4,200,000 (9.37% Proforma Return)**

Price: Parking Lot **Unpriced**

Financing: The property will be delivered free and clear of permanent financing.

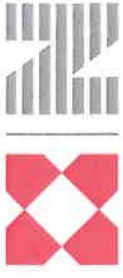
Notes: The above net income is an estimate and does not provide for all potential costs and expenses (i.e., maintenance, repair, etc.) that may be required of the owner. Any reserves set forth herein are merely estimates and not based on any experience, physical inspection, or prior knowledge. All prospective purchasers are strongly advised to make an independent investigation to determine their estimate of costs and expenses prior to entering into an agreement to purchase.

Annual Expenses based off 2014/2015 Budget with Property Taxes reassessed at 1.1% of Price.



Rent Roll

| Suite | Tenant | Sq. Ft. | Monthly Rent PSF | Annual Rent PSF | Current Rent/mo. | Annual Rent | Rent Commence. Date | Lease Expiration Date | Rental Increase Date(s) | Rental Increase Amount(s) |
|------------|------------------------------------|---------------|------------------|-----------------|------------------|-------------|---------------------|-----------------------|--|--|
| 28 | Available | .610 | | | | | | | | |
| 23 | California Psychiatric Association | 800 | \$2.06 | \$24.71 | \$1,647 | \$19,764 | 10/01/2009 | 09/30/2018 | 10/01/2015 10/01/2016 10/01/2017 | \$1,650.00 \$1,700.00 \$1,750.00 |
| 22, 25 | California Psychiatric Association | 2,605 | \$1.03 | \$12.31 | \$2,672 | \$32,064 | 06/01/2008 | 06/30/2018 | 07/01/2015 07/01/2016 07/01/2017 | \$2,752.00 \$2,835.00 \$2,912.00 |
| 24, 27 | Ecoconsult | 1,340 | \$1.79 | \$21.54 | \$2,405 | \$28,860 | 07/04/2005 | M-T-M | | |
| 26 | Capital Dynamics | 610 | \$2.04 | \$24.49 | \$1,245 | \$14,940 | 01/01/2013 | 12/31/2015 | 01/01/2015 | \$1,270.00 |
| 32 | Available | 1,500 | | | | | | | | |
| 33, 34, 35 | Available | 2,500 | | | | | | | | |
| 35, 36 | Available | 3,500 | | | | | | | | |
| 37 | CalCan | 580 | \$1.12 | \$13.45 | \$650 | \$7,800 | 10/01/2013 | 09/30/2014 | | |
| 38 | Available | 760 | | | | | | | | |
| 42 | Available | 580 | | | | | | | | |
| 43 | Available | 615 | | | | | | | | |
| 44 | Revolvis | 800 | \$1.95 | \$23.43 | \$1,562 | \$18,744 | 11/01/2013 | 10/31/2017 | 11/01/2015 11/01/2016 | \$1,609.00 \$1,657.00 |
| 45 | Woodruff Expert Services | 610 | \$1.56 | \$18.75 | \$953 | \$11,436 | 02/01/2013 | 01/31/2016 | 02/01/2015 | \$972.00 |
| 46 | Available | 1,130 | | | | | | | | |
| 47, 48 | California Council of Land Trusts | 1,340 | \$1.66 | \$19.96 | \$2,229 | \$26,742 | 10/01/2008 | 10/31/2015 | | |
| 50 | RMB | 126 | \$1.98 | \$23.81 | \$250 | \$3,000 | 08/01/2012 | 07/31/2014 | | |
| 10 | Available - Ground Floor Retail | 9,495 | | | | | | | | |
| 310 | Available - Restaurant Basement | 200 | | | | | | | | |
| 100 | Available | 1,897 | | | | | | | | |
| 100 | Barry Smith Galleries | 2,600 | \$1.15 | \$13.85 | \$3,000 | \$36,000 | 01/01/2014 | 12/31/2016 | 01/01/2015 | \$3,090.00 |
| | Barry Smith Basement | 1,056 | | | | | | M-T-M | | |
| | Leased | 12,467 | | | | | | | | 35% |
| | Vacant | 22,787 | | | | | | | | 65% |
| | TOTAL | 35,254 | | | | | | | | 100.0% |



About the Area

Site Information

The property is located on the northwest corner of 11th and K Street in the heart of Downtown Sacramento, just blocks away from the new \$477 million Sports and Entertainment Development. The Arena will be the city's primary events venue hosting more than 50 home games annually for the Sacramento Kings, of the National Basketball Association, along with the area's premier events, including concerts, trade shows, collegiate games and tournaments, ice shows and other entertainment, expecting to host 150 events per year. The completion of the Arena is expected for the fall of 2016 and it is expected to attract between 2-3 million visitors annually.



The property is also conveniently located just two blocks from the State Capitol and two blocks from the Sacramento Convention Center which hosts over 600 events and approximately 1 million visitors annually. The premium location near the State Capitol building provides strong demand for office tenants such as lobbyist, legislators, and government agencies who need constant access to the State Capitol.

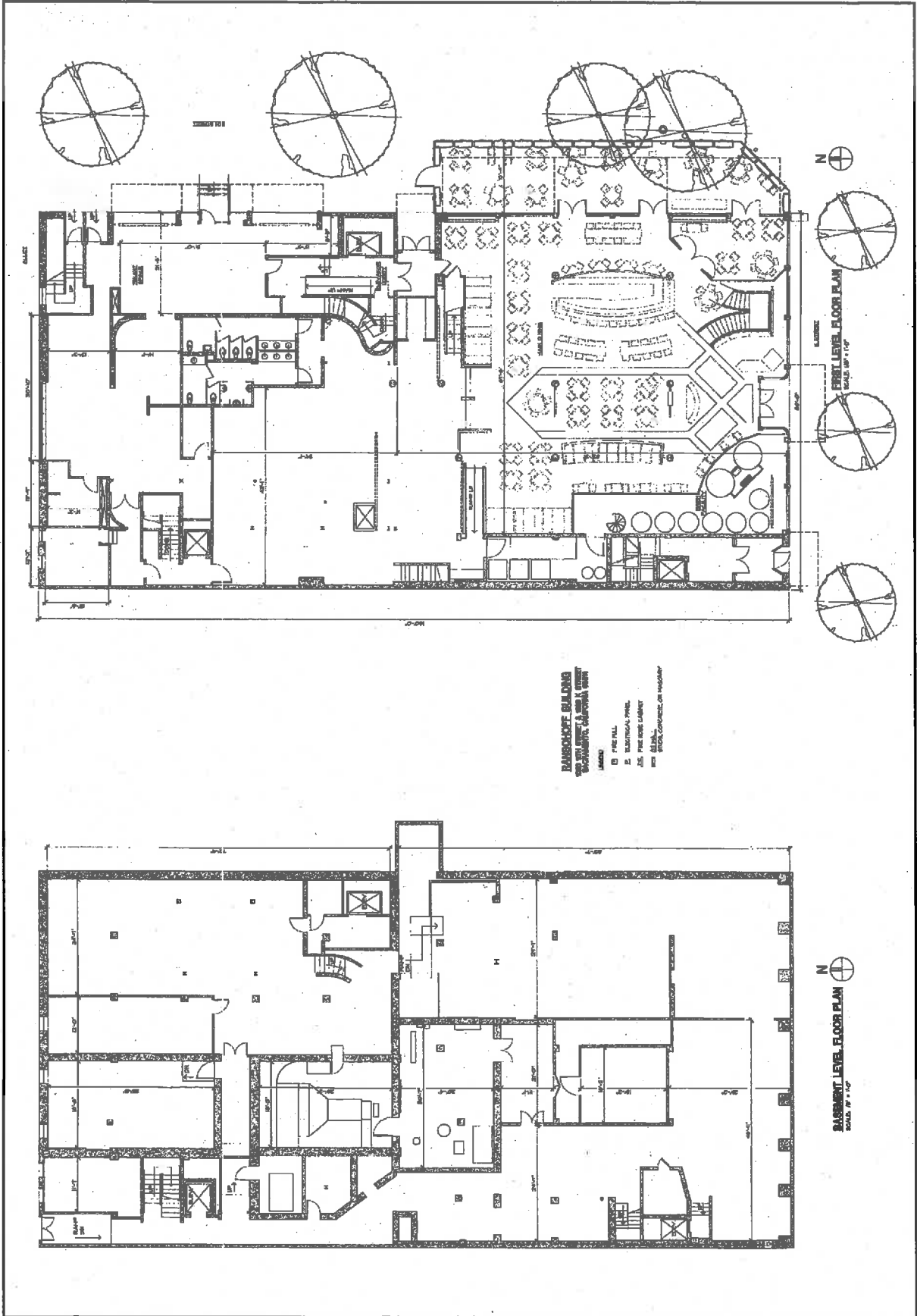
General Overview

Sacramento is the capital of California and the county seat of Sacramento County. With an estimated 2011 population of 477,891, it is the sixth-largest city in California and the 35th largest city in the U.S. Sacramento is the core cultural and economic center of the Sacramento metropolitan area which includes seven counties; with an estimated 2009 population of 2,527,123. Its metropolitan area is the fourth largest in California after the Greater Los Angeles Area, San Francisco Bay Area, and the San Diego metropolitan area as well as the 25th largest in the United States. Sacramento was cited by Time Magazine as America's most ethnically and racially integrated city in 2002.

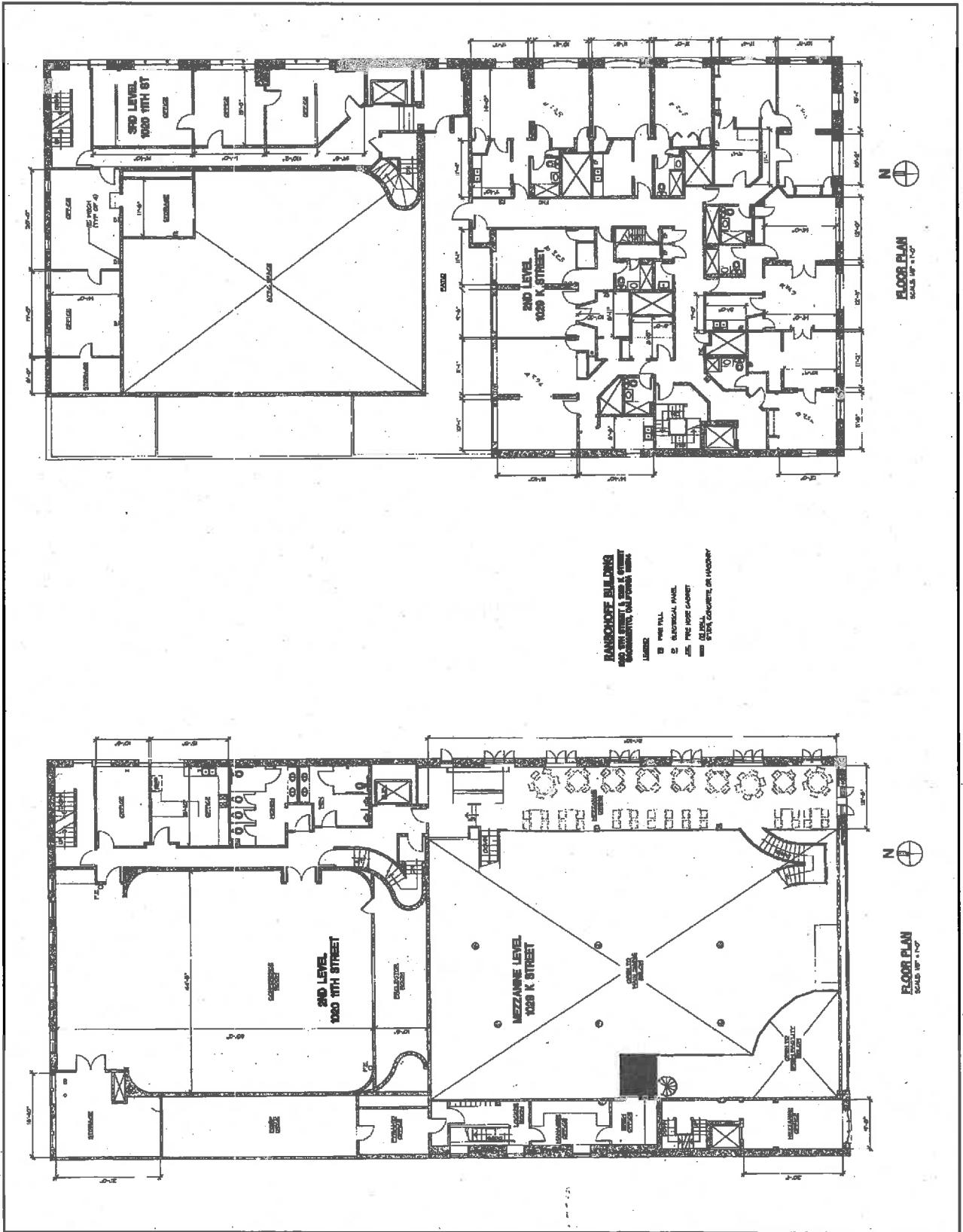
Sacramento's population has dramatically grown over the last two decades as people and companies move from congested and expensive coastal areas to a more affordable lifestyle available in Sacramento. Companies such as Apple Computers, Hewlett Packard, and Intel have established large facilities in the Sacramento Region.

Sacramento benefits greatly from the largest employer, the State of California, providing local economic stability and employing more than 69,000 people. The Government sector is the largest industry sector in the Sacramento Region in terms of employment with close to 250,000 employees and 29 percent of the total industry employment base.

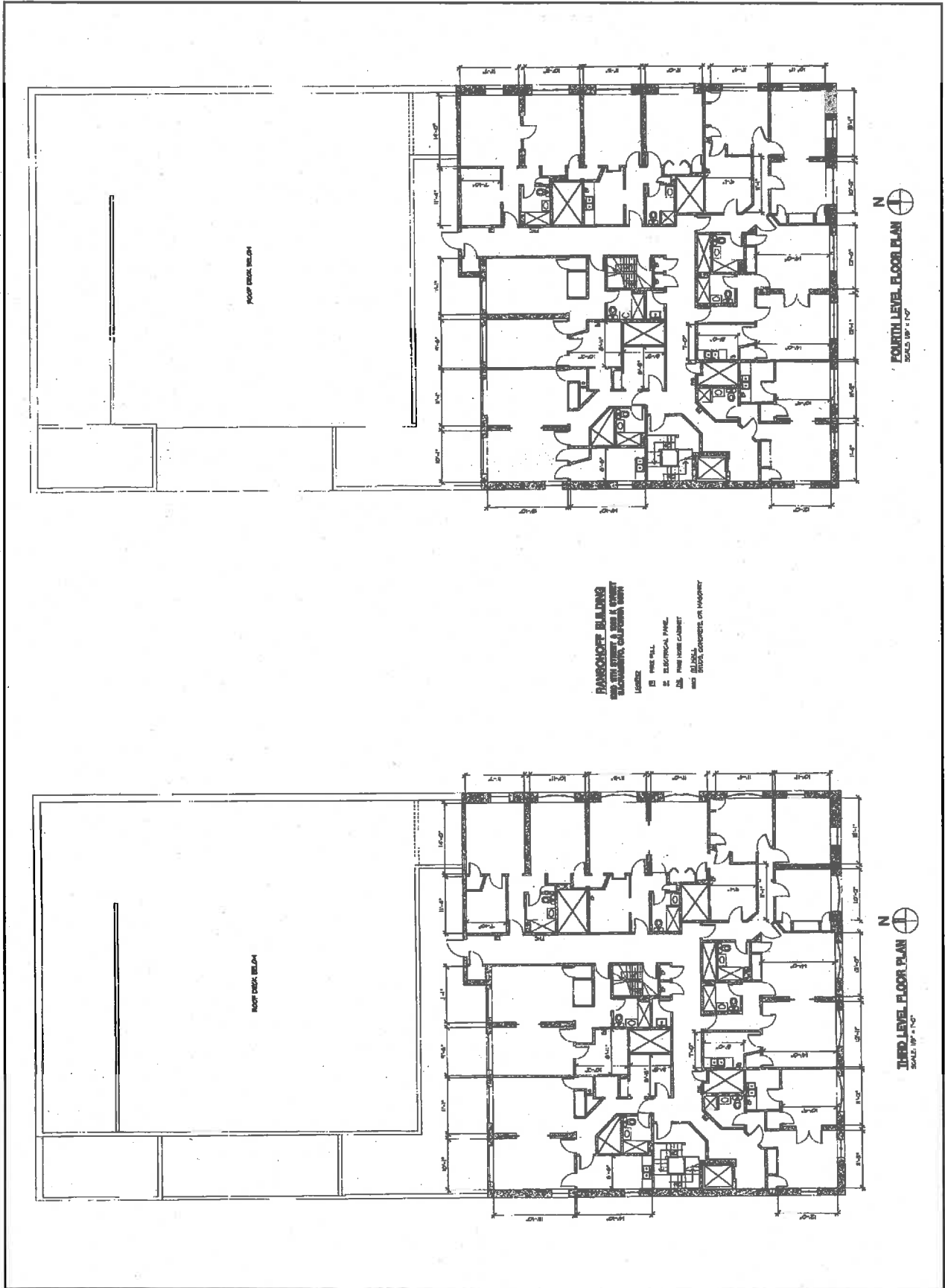
Floor Plans | Basement & 1st Level

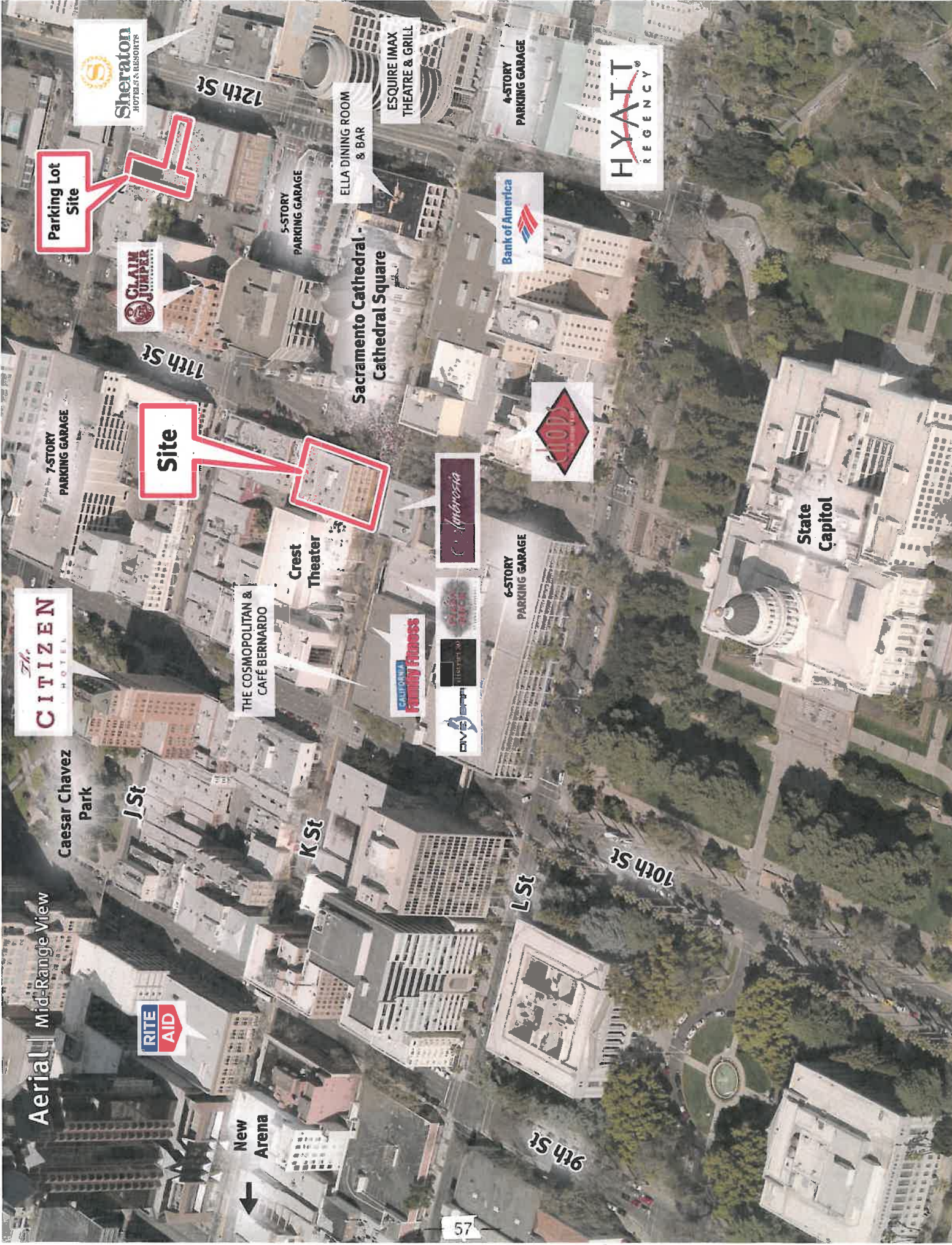


Floor Plans | Mezzanine & 2nd Level



Floor Plans | 3rd & 4th Level





Aerial Mid-Range View

Sheraton
HOTELS & RESORTS

Parking Lot
Site

CLAIM
JUMPER

Site

CITIZEN
HOTEL

Sacramento Cathedral -
Cathedral Square

Crest
Theater

THE COSMOPOLITAN &
CAFÉ BERNARDO

CALIFORNIA
Family Fitness

DIVE
BAR

FLY GIRL
BAR

Amnesia

JOBS

Bank of America

ESQUIRE IMAX
THEATRE & GRILL

ELLA DINING ROOM
& BAR

4-STORY
PARKING GARAGE

HYATT
REGENCY

5-STORY
PARKING GARAGE

7-STORY
PARKING GARAGE

6-STORY
PARKING GARAGE

State
Capitol

Caesar Chavez
Park

J St

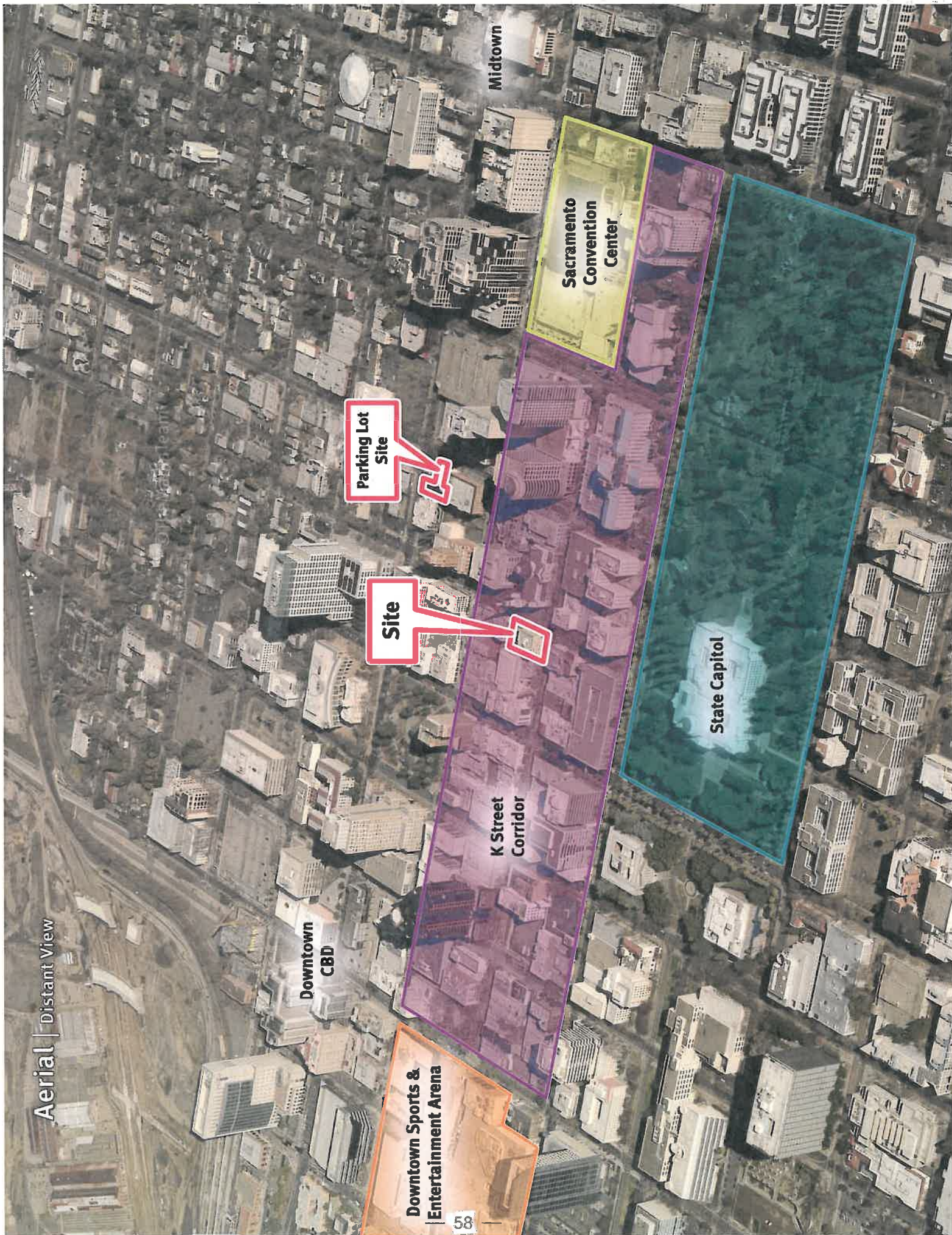
K St

L St

10th St

9th St

New
Arena



Parking Lot Site

Site

Sacramento Convention Center

State Capitol

K Street Corridor

Downtown CBD

Downtown Sports & Entertainment Arena

Midtown



CALIFORNIA STATE ASSOCIATION OF COUNTIES
FINANCE CORPORATION

August 7, 2014

To: CSAC Executive Committee
From: Nancy Parrish, Executive Director, CSAC Finance Corporation
RE: Finance Corporation Program Update

Below are several highlights from the CSAC Finance Corporation:

- CalTRUST assets remain at or near our new high water mark of \$2 billion. We will be hiring an additional staff person in the next 30-45 days to work exclusively on growing this program.
- Our first onsite employee medical clinic will open its first clinic in Kings County in August.
- Nationwide Retirement Solutions was the successful respondent to Fresno County's recent bid for a deferred compensation program provider. This represents the first new county added to the program in California in over five years.
- U.S. Communities Cooperative Purchasing usage grew 20% nationally in the first two quarters of 2014. We are increasing our marketing efforts on this program this year and expect to see significant growth among California Counties this year.
- The Finance Corporation's Board Composition Committee is scheduled to meet with the subcommittee of the CSAC Executive Committee on August 22nd to discuss the proposal submitted by the Executive Committee to the Finance Corporation and the Board Composition Committee's response.

CSAC Finance Corporation Board of Directors

- **Mark Saladino**, Los Angeles County, *President*
- **Larry Spikes**, Kings County, *Vice President*
- **Les Brown**, Public Member, *Secretary/Treasurer*
- **Robert Bendorf**, Yuba County
- **Matt Cate**, California State Association of Counties
- **Greg Cox**, San Diego County
- **David Finigan**, Del Norte County
- **Mike Johnson**, County Retiree
- **Steve Juarez**, Public Member
- **Pat O'Connell**, Alameda County
- **Tom Ford**, Board Member Emeritus
- **Steve Swendiman**, Board Member Emeritus



County Counsels' Association of California

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*Butte County
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Donna R. Ziegler

*Alameda County
2013-2015*

Colleen J. Carlson

*Kings County
2013-2015*

EXECUTIVE DIRECTOR

Jennifer B. Henning

MEMORANDUM

**To: Supervisor John Gioia, President, and
Members of the CSAC Executive Committee**

From: Jennifer Henning, Litigation Coordinator

Date: August 7, 2014

Re: Litigation Coordination Program Update

This memorandum will provide you with information on the Litigation Coordination Program's new case activity since your last regular meeting in April 2014. Recent CSAC court filings are available on CSAC's website at: <http://www.csac.counties.org/csac-litigation-coordination-program>.

Ardon v. City of Los Angeles

Pending in the Second District Court of Appeal (filed (filed Nov. 14, 2013)(B252476)

This started out as a tax refund case, which went all the way to the Supreme Court. The case was remanded after the 2011 Supreme Court ruling, and a new issue arose related to the Public Records Act and attorney client privilege. Several documents the city had withheld under a claim of privilege were inadvertently released by city staff to Ardon in response to a PRA request by Ardon's counsel. Ardon's counsel notified the city that the documents were in Ardon's possession and the city requested that the documents be returned and all copies be destroyed. Ardon's counsel refused contending that the law is clear – the city statutorily waived any privilege that may have applied. The city filed a motion in Los Angeles Superior court for the return of the documents and also to have Ardon's counsel disqualified for violating ethical standards. The trial court denied the city's motion, concluding that the city waived any applicable privileges by disclosing the documents to Ardon's counsel. The city appealed and the issue is now pending before the Second District Court of Appeal. CSAC will file a brief supporting Los Angeles arguing that the trial court's ruling is contrary to well-established ethical standards and, more importantly, it weakens the laws related to privilege in the event documents are inadvertently disclosed in a litigation context.

August 7, 2014

California Clean Energy Committee v. City of Woodland

225 Cal.App.4th 173 (3d Dist. Feb. 28, 2014)(C072033), *request for depublication denied* (June 24, 2014)(S217766)

The City of Woodland approved the development of a 234-acre regional shopping center on undeveloped agricultural land. California Clean Energy Committee filed a writ of mandate alleging violations of CEQA. The trial court denied the petition. CCEC appealed contending that (1) the trial court erred in concluding that the project did not conflict with the City's general plan, (2) the City's mitigation measures are insufficient to ameliorate the urban decay caused by the project, (3) the City did not give meaningful consideration to feasible project alternatives such as mixed-use, and (4) the final EIR did not properly identify and analyze potentially significant energy impacts in conformance with CEQA Guidelines Appendix F, even though such analysis is not mandatory. CSAC's request for depublication was denied.

Gonzalez v. City of Anaheim

--- F.3d ---, 2014 U.S.App.LEXIS 5895 (9th Cir. Mar. 31, 2014)(11-56360)(en banc)

After being nearly hit by a vehicle driven by Adolf Gonzalez, two officers pulled him over. The officers saw Gonzalez hide a baggy and ordered him out of the car. He refused to comply and despite force used by the officers, including one of the officers getting into the vehicle and striking Gonzalez with a flashlight, Gonzalez got the car into gear and started to drive away with the officer still in the car. At that point, the officer shot Gonzalez, who died shortly thereafter. Gonzalez's family brought claims for violations of Gonzalez's Fourth and Fourteenth Amendments. The district court granted summary judgment for the officers, holding that officers may use a reasonable amount of force to gain compliance. A panel of the Ninth Circuit affirmed, holding the force used was not excessive. But en banc review was granted, and the full court reversed summary judgment. The court found that because there was some conflicting testimony in the record about how fast the car was traveling, and how far it had been driven before the officer fired his shot, a full trial would be required. Four judges dissented, stating: "The only thing this remand [for trial] will accomplish is to give plaintiffs a bludgeon with which to extort a hefty settlement. The Supreme Court should foil the plan with a swift summary reversal." The city is seeking United States Supreme Court review, and CSAC will file a brief in support.

Jackson v. Barnes

--- F.3d ---, 2014 U.S.App.LEXIS 6962 (9th Cir. Apr. 15, 2014)(09-55763), *petition for rehearing en banc pending* (filed Apr. 29, 2014)

Jackson's conviction for first degree murder was overturned after it was determined that the conviction was based on statements obtained from Jackson in violation of his Miranda rights. Jackson brought a Section 1983 action against the Ventura County Sheriff's Department and District Attorney's Office for violation of his Fifth Amendment rights. Jackson was convicted in a subsequent trial without the use of the statements. The district court granted a summary judgment motion in favor of the defendants in the Section 1983 action and Jackson appealed. The Ninth Circuit reversed, concluding that although Jackson was incarcerated for other convictions, he may still be entitled to damages, even if the damages are nominal. Assuming the county's petition for rehearing is denied, the

August 7, 2014

county will seek United States Supreme Court review, and CSAC will file a brief in support.

Keep Our Mountains Quiet v. County of Santa Clara

Pending in the Sixth District Court of Appeal (filed May 30, 2014)(H039707)

Santa Clara County approved a use permit for weddings and similar events at a winery. The mitigated negative declaration included noise experts and traffic studies indicating either no significant impacts or that impacts could be fully mitigated. CalTrans agreed that no significant traffic impacts would result. Neighbors opposed the project, providing competing noise experts disputing the methodology of the noise study, but not the conclusions. They also disputed the traffic conclusions, but without any expert testimony. On the basis of the neighbors' traffic comments and their noise experts, the trial court concluded that a fair argument was made, and ordered preparation of an EIR. Santa Clara County has appealed. CSAC will file a brief in support of the county.

Lacey v. Lunn

Pending in the Ventura County Superior Court (filed June 16, 2014)

A group of citizens collected sufficient signatures to place an initiative, entitled "Repeal of County Employee Pension Plan and Creation of Defined Contribution Plan for New Employees," on the ballot in Ventura County. The initiative does a number of things, including: (1) repeal the ordinances adopted by the County in 1946 to become members of CERL, thereby eliminating the County's authority to participate in CERL (no mechanism is provided as a substitute for fulfilling obligations to existing retirees); (2) creates a new 401k-style Defined Contribution Plan for all employees hired after July 2015; (3) sets County contribution rates to the new Plan, which cannot be changed by the Board of Supervisors; and (4) limits the ability of the Board of Supervisors to increase compensable compensation. The Clerk/Recorder determined that sufficient signatures were submitted, and on June 17, the Board of Supervisors decided not to adopt the Initiative, thus sending it to the November 4 ballot.

A number of current and former employees have sued the Ventura County Clerk/Recorder and its Board of Supervisors, naming the Initiative Proponents as Real Parties in Interest. The writ petition argues that the Initiative violates CERL, the MMBA, and section 1(b) of article XI of the California Constitution, and impermissibly interferes with essential government functions. While the Board of Supervisors is a Respondent in the case, they support Petitioners' legal arguments. CSAC has also filed a brief arguing that the Board has plenary constitutional authority over employee salary and benefits. A hearing is scheduled for August 4, 2014.

Poole v. Orange County Fire Authority

Previously published at: 221 Cal.App.4th 155 (4th Dist. Div. 3 Nov. 4, 2013)(G047691), *petition for review granted* (Feb. 26, 2014)(S215300)

A fire captain maintained a log of notes that he used to prepare employee evaluations. They were not formally entered in the personnel files. When plaintiff, a firefighter employed by the Orange County Fire Authority, discovered that the notes were used in his performance evaluation, he requested all adverse comments be deleted from the daily logs pursuant to section 3256.5, subdivision (c), a provision of the FireFighters

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Procedural Bill of Rights (FFBOR). The Authority declined to remove the comments on the grounds that the logs were never entered into a personnel file. The Fourth District concluded that “[b]ecause the daily logs on firefighters are used for personnel purposes, . . . they are subject to provisions of FFBOR.” The California Supreme Court has granted review. CSAC will file a brief in support of the Fire Authority.

Property Reserve, Inc. v. Superior Court (Dept of Water Resources)

Previously published at: 224 Cal.App.4th 828 (3d Dist. Mar. 13, 2014)(C067758), *petition for review granted* (June 25, 2014)(S217738)

The State of California seeks to build a tunnel to transport water from the northern to southern part of the state. However, before condemning the land needed for the project, the State wanted to assess the environmental and geological suitability of hundreds of properties on which the tunnel may be constructed. Under the authority of precondemnation statutes, the State petitioned the trial court for orders to enter the properties to conduct the necessary studies. The trial court granted access for the environmental studies, but not the geological studies, finding that the borings and drillings involved in these studies would constitute a taking that could only be authorized by a direct condemnation action. The affected landowners appealed. The Third District concluded that both the geological and the environmental studies constituted a taking. The court found that the statutory precondemnation procedures are inadequate under the circumstances because they do not provide all of the constitutional protections, including a jury determination of the just compensation of the condemnation. The Supreme Court granted review. CSAC will file a very narrow brief not take a position on the proposed tunnel project, but would express concern with the potential impact of this decision on the precondemnation process.

San Francisco Beautiful v. City and County of San Francisco

--- Cal.App.4th ---, 2014 Cal.App.LEXIS 477 (1st Dist. Apr. 30, 2014)(A136546), *ordered published and rehearing denied* (May 30, 2014)

San Francisco determined that AT&T’s proposal to install 726 metal utility boxes housing telecommunications equipment on sidewalks in order to expand its fiber-optic network was exempt from CEQA. Specifically, the city concluded that the project fell within the “Class 3” categorical exemption for “(1) construction and location of limited numbers of new, small facilities or structures,” and (2) “installation of small new equipment and facilities in small structures.” / Plaintiffs challenged the city’s action, alleging there was not a “limited number” of boxes, and that it was not exempt under clause 2 because it involved the construction and location of new structures rather than the installation of equipment in existing small structures. The First District upheld the city’s action, concluding that clause 2 was not limited to the installation of equipment in existing structures, but could also apply when new structures are installed or constructed. Since the project was exempt under clause 2, the court did not address whether 726 boxes are a “limited number” under clause 1. The court also rejected plaintiff’s argument that residents’ views on aesthetic effects constituted evidence of a significant impact sufficient to trigger the need for an EIR under either the “substantial evidence” or “fair argument” standards. CSAC’s request for publication was granted.

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Sheehan v. City and County of San Francisco

743 F.3d 1211 (9th Cir. Feb. 21, 2014)(11-16401), *cert. petition pending* (filed May 22, 2014)(13-1412)

Plaintiff is a woman suffering from mental illness whose social worker called police seeking help and a 5150 hold. When the officers arrived, they entered her room without a warrant to take her into custody. She reacted violently and threatened to kill the officers. The officers went into a hallway to call for backup, and then went back into the room to subdue plaintiff. At this point, she threatened the officers with a knife and the officers shot her. She then brought this action alleging that the officers should have had a warrant to enter her room, and that they violated the Americans with Disabilities Act by failing to accommodate her mental illness. The Ninth Circuit denied the officers qualified immunity, concluding that a jury could find that the officers acted unreasonably by entering the room the second time after calling for backup, or that they “intentionally or recklessly provoke[d] a violent confrontation” in violation of the Fourth Amendment. Finally, the court determined, in an issue of first impression in this circuit, that Title II of the Americans with Disabilities Act applies to arrests. The court went on to hold that there was a triable issue of fact as to whether the officers failed to reasonably accommodate plaintiff’s disability. San Francisco is seeking United States Supreme Court review, and CSAC has filed a brief in support:

Sierra Club v. County of Fresno

--- Cal.App.4th ---, 2014 Cal.App.LEXIS 459 (5th Dist. May 27, 2014)(F066798), *petition for review pending* (filed July 8, 2014)(S219783)

Sierra Club contested the County of Fresno’s decision to approve the development of a residential housing project arguing that the EIR failed to adequately address air quality impacts. The Fifth District concluded that: “(1) the EIR was inadequate because it failed to include an analysis that correlated the project’s emission of air pollutants to its impact on human health; (2) the mitigation measures for the project’s long-term air quality impacts violate CEQA because they are vague, unenforceable and lack specific performance criteria; and (3) the statement that the air quality mitigation provisions will substantially reduce air quality impacts is unexplained and unsupported.” A petition for review is pending. CSAC will file a brief on the following issues: (1) Does the substantial evidence standard of review apply to a court’s review of whether an EIR provides sufficient information on a topic required by CEQA, or is this a question of law subject to independent review by the court? (2) Is an EIR adequate when it identifies the health impacts of air pollution and quantifies a project’s expected admissions, or does CEQA further require the EIR to correlate a project’s air quality emissions to specific health impacts?

Williams v. Chino Valley Independent Fire District

Previously published at: 218 Cal.App.4th 73 (4th Dist. Div. 2 July 23, 2013)(E055755), *petition for review granted* (Oct. 16, 2013)(S213100)

After plaintiff lost a Fair Employment and Housing Act (FEHA) claim against a fire district, the district was awarded ordinary fees and costs. Plaintiff challenged the award, arguing that it was not proper unless the district could show that the claims were frivolous, unreasonable, or groundless. The Fourth District upheld the cost award, concluding that

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ordinary costs are recoverable under Code of Civil Procedure section 1032, subdivision (b). The Supreme Court has granted review to the following issue: Is a prevailing defendant in an action under the Fair Employment and Housing Act required to show that the plaintiff's claim was frivolous, unreasonable, or groundless in order to recover ordinary litigation costs? CSAC will file a brief in support of the fire district.

2014 CSAC Executive Committee Calendar of Events

January

- 15 CSAC Executive Committee Orientation Dinner, Sacramento County
6:30pm Reception, 7:15pm Dinner, Esquire Grill, 13th & K Streets, Sacramento, CA 95814
- 16 CSAC Executive Committee Meeting, Sacramento County
10:00am – 1:30pm, CSAC Conference Center, 1020 11th Street, 2nd Floor, Sacramento, CA 95814

February

- 5-6 CSAC Corporate Associates Forum, San Diego County
- 19 CSAC Board of Directors/Legislator Reception, Sacramento County
5:00pm – 7:00pm, The Mix, 1525 L Street, Sacramento, CA 95814
- 20 CSAC Board of Directors Meeting, Sacramento County
10:00am – 1:30pm, CSAC Conference Center, 1020 11th Street, 2nd Floor, Sacramento, CA 95814

March

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

April

- 17 CSAC Executive Committee Meeting, Sacramento County
10:00am – 2:00pm, CSAC Conference Center, 1020 11th Street, 2nd Floor, Sacramento, CA 95814

May

- 14-15 CSAC Legislative Conference, Sacramento County
- 15 CSAC Board of Directors Meeting, Sacramento County
12:00pm – 3:00pm, CSAC Conference Center, 1020 11th Street, 2nd Floor, Sacramento, CA 95814
- 21-23 NACo Western Interstate Region Conference, Anchorage, Alaska

July

- 11-15 NACo Annual Meeting, New Orleans Parrish, New Orleans, Louisiana

August

- 7 CSAC Executive Committee Meeting, Los Angeles County
10:00am – 1:30pm, Maya Hotel, 700 Queens Way, Long Beach, CA 90802

September

- 4 CSAC Board of Directors Meeting, Sacramento County
10:00am – 1:30pm, CSAC Conference Center, 1020 11th Street, 2nd Floor, Sacramento, CA 95814

October

- 8-10 CSAC Executive Committee Retreat, Monterey, CA
Intercontinental The Clement Monterey, 750 Cannery Row, Monterey, CA 93940

November

- 18-21 CSAC 120th Annual Meeting, Anaheim, Orange County
- 20 CSAC Board of Directors Meeting, Anaheim, Orange County
2:00pm – 4:00pm, Disneyland Hotel, 1150 Magic Way, Anaheim, CA 92802

December

- 3-5 CSAC Officers Retreat, Napa County

as of 4/8/14