

CALIFORNIA STATE ASSOCIATION OF COUNTIES
EXECUTIVE COMMITTEE

April 19, 2012
CSAC Conference Center, Sacramento

MINUTES

Presiding: Mike McGowan, President

1. ROLL CALL

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| Mike McGowan, President | Valerie Brown, Sonoma |
| David Finigan, 1 st Vice Pres. | Joni Gray, Santa Barbara |
| John Gioia, 2 nd Vice Pres. | Henry Perea, Fresno |
| Keith Carson, Alameda | John Viegas, Glenn |
| Federal Glover, Contra Costa | Terry Woodrow, Alpine |
| John Moorlach, Orange (via audio) | Susan Cash, Inyo, alternate |
| Greg Cox, San Diego, alternate | |

The presence of a quorum was noted.

2. APPROVAL OF MINUTES

The minutes of January 19, 2012 were approved as previously mailed.

3. PROPOSED CSAC BUDGET FOR FY 2012-13

Supervisor Terry Woodrow, CSAC Treasurer, presented the proposed CSAC budget for 2012-13 as contained in the briefing materials. She noted that the budget does not contain a dues increase, but does include increased personnel, communications and outside contracts costs, which are partially covered by budget reserves. In addition, revenue from the CSAC Finance Corp. decreased due to the loss of the pooled purchasing contract with Office Depot as well as decreases in revenue from Nationwide Retirement Solutions deferred compensation program. Concerns were raised regarding the use of budget reserves to offset increased personnel costs.

Motion and second to approve the 2012-13 CSAC Budget as presented and recommend adoption by the Board of Directors. Motion carried (2 No votes).

President McGowan raised the issue of increasing dues incrementally in order to reduce the percentage of CSAC Finance Corp. dues that CSAC relies on to supplement its budget. A task force will be appointed to look at the current dues structure.

4. PROPOSED CSAC LITIGATION COORDINATION PROGRAM BUDGET FOR FY 2012-13

Paul McIntosh presented the proposed Litigation Program Budget for FY 2012-13 as contained in the briefing materials. He indicated that the budget does not include a dues increase and that additional costs incurred this year were absorbed by a decrease in office space.

Motion and second to approve the Litigation Coordination Program Budget for FY 2012-13 as presented and recommend adoption by the CSAC Board of Directors. Motion carried unanimously.

5. PROPOSED ANNUAL MEETING SITES FOR 2015 & 2016

CSAC policy calls for annual meeting sites to be selected three to four years in advance, and approved by the Executive Committee. Traditionally, CSAC has followed a north/south rotation and locations are chosen based on the following criteria: site availability; conference/hotel space requirements; cost; and past popularity and success of venue. Paul McIntosh presented recommendations for the 2015 and 2016 annual meeting locations: Monterey County for 2015 and Palm Springs, Riverside County, for 2016.

Motion and second to approve Monterey County for the location of CSAC's 2015 annual meeting and Palm Springs, Riverside County, for the location of the 2016 annual meeting. Motion carried unanimously.

6. APPOINTMENTS TO CSCDA

The California Statewide Communities Development Authority (CSCDA) is a joint powers authority sponsored by CSAC and the League of California Cities. There are currently four former and current county officials representing CSAC on the CSCDA board. The terms of three of those representatives are about to expire.

Staff recommended that the following representatives be reappointed to two-year terms: Steve Keil (retired from Sacramento County), Larry Combs (retired from Merced County), and Terry Schutten, CAOAC Executive Director.

Motion and second to approve the two-year reappointment of Steve Keil, Larry Combs and Terry Schutten to the CSCDA Board. Motion carried unanimously.

7. REPORT ON CSAC INTELLECTUAL PROPERTY ANALYSIS

Last fall, CSAC contracted with Consor to perform an analysis of the value of CSAC as an intellectual property. The subsequent report covered three key areas: Corporate Associates Program; Affinity Partnerships; and the CSAC Excess Insurance Authority's continued use of CSAC's name. Staff reported that as a result of the reports recommendation, significant changes to the Corporate Associates program have already begun. Implementation of other recommendations will take some time, but discussions have begun with CSAC Excess Insurance Authority.

8. NOVEMBER 2012 BALLOT INITIATIVE UPDATE

Staff announced that the Governor has suspended signature gathering on his tax measure and is now focusing efforts on a compromise measure with the California Federation of Teachers which is slightly different from his original measure. The constitutional protections for counties are contained in the compromise measure. However, the sales tax increase is ¼ cent instead of the Governor's ½ cent and the income tax provision is seven years instead of five. The deadline for gathering signatures is early June and it appears that this measure is very likely to qualify for the November ballot. CSAC policy committees will consider the new measure and make recommendations to the full Board of Directors at September meeting.

9. CSAC LEGISLATIVE REPORT

Staff reported that the Legislature has introduced several bills related to redevelopment. CSAC is focusing on three of them dealing with the dissolution process. Details on the important redevelopment legislation were contained in the briefing materials and can be found on the CSAC website.

The Governor has proposed merging the California Housing Finance Agency and the Department of Housing and Community Development. A task force has been formed on this issue and CSAC's representative is Sonoma County Planning Director Pete Parkinson.

Given that the 2011 Realignment fiscal structure (AB 118) is in place for one fiscal year only, an act of the Legislature is required to codify a number of important policies including: structure of an interaction between accounts and subaccounts; flexibility of spending within and between accounts and subaccounts; distribution of unallocated growth. CSAC staff has been working with the Department of Finance to draft trailer bill language that captures the conceptual framework of a more permanent Realignment funding structure.

A nine-member AB 109 Allocation committee, comprised of CAOs from urban, suburban and rural counties, has been meeting since late last year to develop a formula to distribute the second year of funding to support counties' responsibilities associated with the shift of adult offender populations to counties' jurisdictions. The committee has had difficulty determining the best method for dividing the money. It was noted, however, that all counties will receive at least two times the amount they received in the first year. The committee is expected to conclude its work soon.

Staff reported that the Governor's January budget contains a number of major policy changes within the Medi-Cal program aimed at improving care coordination, particularly for people on both Medi-Cal and Medicare. Details of the proposed changes were contained in the briefing materials.

10. OTHER ITEMS

Paul McIntosh encouraged all Executive Committee members to attend the CSAC Legislative Conference being held May 30-31 in Sacramento.

Meeting adjourned.