

**CALIFORNIA STATE ASSOCIATION OF COUNTIES  
EXECUTIVE COMMITTEE**

Thursday, March 15, 2007  
10:00am - 1:30pm  
CSAC Conference Center, Sacramento

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**REVISED AGENDA**

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Presiding: Frank Bigelow, President

**10:00am PROCEDURAL ITEMS**

1. Roll Call *Page 1*
  
2. Approval of Minutes of February 8, 2007 *Page 2*

**10:15am ACTION ITEMS**

3. Consideration of Proposed CSAC Budget for FY 2008 *Page 9*
  - *Steve Keil, CSAC Interim Executive Director*
  - *Supervisor Tony Oliveira, CSAC Treasurer*
  
4. Consideration of Proposed Litigation Coordination Program Budget for FY 2007-08 *Page 16*
  - *Steve Keil*
  - *Jennifer Henning, County Counsel Association Director*
  
5. Eminent Domain Reform Proposal *Page 19*
  - *Steve Keil*
  - *Jean Hurst, CSAC staff*

**11:30am INFORMATION ITEMS**

6. Health and Human Services Budget Update *Page 24*
  - *Frank Mecca, County Welfare Directors Assoc. Executive Director*
  - *Kelly Brooks, CSAC staff*
  
7. National Association of Counties (NACo) Report *Page 29*
  - *Supervisor Valerie Brown, NACo 2<sup>nd</sup> Vice President*
  
8. CSAC Finance Corporation Update *Page 31*
  - *Supervisor Greg Cox, Finance Corp. Board Member*
  - *Norma Lammers, Finance Corp. Executive Director*
  
9. Legislative Update
  - *Steve Keil*
  
10. Other Items

**12:00pm LUNCH**

**12:30pm CLOSED SESSION**

11. Executive Director Recruitment Update *Handout*

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**ROSTER**

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California State Association of Counties  
Executive Committee  
2007

President:	Frank Bigelow, Madera
1 <sup>st</sup> Vice President:	Richard Gordon, San Mateo
2 <sup>nd</sup> Vice President:	Gary Wyatt, Imperial
Immed. Past President:	Connie Conway, Tulare

Urban Section

Federal Glover, Contra Costa  
Don Knabe, Los Angeles  
John Tavaglione, Riverside  
Roger Dickinson, Sacramento  
Liz Kniss, Santa Clara  
Kathy Long, Ventura  
Greg Cox, San Diego (alternate)

Suburban Section

Joni Gray, Santa Barbara  
Mike McGowan, Yolo  
Mike Nelson, Merced  
Valerie Brown, Sonoma (alternate)

Rural Section

Terry Woodrow, Alpine  
Jeff Morris, Trinity  
Tony Oliveira, Kings (alternate)

Advisors

Larry Combs, Sutter County Administrative Officer  
Kathleen Bales-Lange, Tulare County Counsel

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**MINUTES OF FEBRUARY 8, 2007**

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CALIFORNIA STATE ASSOCIATION OF COUNTIES  
EXECUTIVE COMMITTEE  
February 8, 2007  
CSAC Conference Center, Sacramento

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MINUTES

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Presiding: Frank Bigelow, President

1. ROLL CALL

Frank Bigelow, President	Joni Gray, Santa Barbara
Richard Gordon, 1 <sup>st</sup> Vice President	Mike McGowan, Yolo
Gary Wyatt, 2 <sup>nd</sup> Vice President	Mike Nelson, Merced
Connie Conway, Immed. Past President	Valerie Brown, Sonoma, alternate
Federal Glover, Contra Costa	Terry Woodrow, Alpine
John Tavaglione, Riverside	Jeff Morris, Trinity
Roger Dickinson, Sacramento (audio)	Tony Oliveira, Kings, alternate
Liz Kniss, Santa Clara	Larry Combs, advisor
Kathy Long, Ventura (audio)	Kathleen Bales-Lange, advisor
Greg Cox, San Diego, alternate	

2. APPROVAL OF MINUTES

The minutes of September 28-29 and October 17, 2006 were approved as previously mailed.

3. APPOINTMENT OF CSAC TREASURER, NACo BOARD OF DIRECTORS AND WESTERN INTERSTATE REGION (WIR) REPRESENTATIVES

The Executive Committee approved the following appointments:

- Tony Oliveira, Kings – CSAC Treasurer
- Keith Carson, Alameda – NACo Board of Directors
- Greg Cox, San Diego – NACo Board of Directors
- Connie Conway, Tulare – NACo Board of Directors
- Rose Comstock, Plumas – NACo WIR
- Brian Dahle, Lassen – NACo WIR

4. APPOINTMENT OF CSAC POLICY COMMITTEE CHAIRS AND VICE CHAIRS FOR 2007

The Executive Committee approved the following list of CSAC policy committee chairs and vice chairs for 2007:

ADMINISTRATION OF JUSTICE

John Silva, Solano, Chair  
Ronn Dominici, Madera, Vice Chair

AGRICULTURE AND NATURAL RESOURCES

Jeff Morris, Trinity, Chair  
Mike Nelson, Merced, Vice Chair

## ECONOMIC DEVELOPMENT

Liz Kniss, Santa Clara, Chair  
Jon McQuiston, Kern, Vice Chair

## GOVERNMENT FINANCE & OPERATIONS

Kathy Long, Ventura, Chair  
Mike Delbar, Mendocino, Vice Chair

## HEALTH & HUMAN SERVICES

Helen Thomson, Yolo, Chair  
Henry Perea, Fresno, Vice Chair

## HOUSING, LAND USE AND TRANSPORTATION

Mike McGowan, Yolo, Chair  
Diane Dillon, Napa, Vice Chair

### 5. STATE AND FEDERAL LEGISLATIVE PRIORITIES FOR 2007

Staff reviewed the list of state and federal legislative priorities as contained in the briefing materials. State priorities include:

- State Budget
- Corrections Reform
- Emergency Management and Preparedness
- Eminent Domain
- Health Care Reform
- Infrastructure (transportation, housing and flood protection)
- Land Use & the Environment (countywide blueprints, special needs housing, land use/flood protection)

Federal priorities include:

- Telecommunication Reform
- Tribal Gaming,
- Federal Health Care Issues
- State Criminal Alien Assistance Program (SCAAP)
- Community Development Block Grants
- Deficit Reduction Act
- Secure Rural Schools and Communities Self Determination Act of 2000
- Flood Control
- Homeland Security

In addition, CSAC would continue to provide internal monitoring on the following federal issues:

- Safe, Accountable, Flexible Efficient Transportation Equity Act: A Legacy for Users (SAFETEA-LU) Reauthorization
- Payment-In-Lieu-of-Taxes (PILT)
- Remote Sales Tax
- Farm Bill Reauthorization

Some of the "self-help" transportation sales tax counties expressed concern regarding language contained in the State-Local Partnership Program (Proposition

1B) section. In response to that, the following compromise language was presented:

*CSAC recognizes that the counties that have successfully imposed sales taxes for transportation purposes are providing a significant contribution to the state's transportation system and should receive recognition through state contributions such as the \$1 billion State-Local Partnership Program pursuant to Government Code Section 8879.23(g). It is also recognized that counties have pursued other means for contributing to the state's transportation system through voter approved taxes and the imposition of uniform developer fees dedicated to transportation. CSAC recognizes that the State-Local Partnership Program was created to primarily benefit sales tax counties, but also supports the ability for counties to compete with eligible matches from other voter approved taxes and uniform developer fees. CSAC supports a dedicated amount from the \$1 billion State-Local Partnership for matching local sales taxes.*

Motion and second to approve State and Federal Legislative Priorities for 2007 as amended to include revised language on Proposition 1B. Motion carried unanimously.

6. CSAC CONSTITUTION REVISION TASK FORCE REPORT

Supervisor Rich Gordon, Chair of the Constitution Revision Task Force, presented a report from the task force's first meeting held on February 7. Task force members include: Supervisors John Tavaglione, Paul Biane, Judy Case, Jon McQuiston, Joni Gray, Mike Delbar, Jeff Morris and County Counsel's Association Executive Director Jennifer Henning.

The current CSAC Constitution and Policy Manual was separated into two documents and some proposed amendments were presented to the task force. The group will also be looking at large issues such as caucus definitions, voting thresholds and ballot initiative positions. The task force will continue meeting to develop recommendations which will ultimately be brought to the Executive Committee and Board of Directors for consideration.

7. EMINENT DOMAIN REFORM PROPOSAL

CSAC has continued involvement with "No on Prop. 90" coalition members to address the issue of eminent domain abuse. Staff has been working to develop a concept to be put before voters at a future election which would include protection for owner-occupied residences and small businesses. The language has not yet been finalized. Staff noted that a measure sponsored by the Howard Jarvis Taxpayers' Association has been submitted which would effectively eliminate all eminent domain takings for private use. However, they have indicated a preference for working through the Legislature rather than going directly to voters.

The Executive Committee authorized staff to convene a small working group of supervisors to provide guidance as this effort moves forward.

8. ADMINISTRATION OF JUSTICE POLICY COMMITTEE REPORT

Staff reported that the Governor's Corrections Reform Proposal contains two issues of particular concern to counties. They are the transfer of prisoners from state prisons to county jails and the transfer of some juveniles from the California Youth

Authority to local facilities. Jim Tilton, Secretary of the Department of Corrections and Rehabilitation, will be addressing the Board of Directors on February 22.

The Governor's Task Force on High-Risk Sex Offenders and Sexually Violent Predators will be sponsoring a summit on March 19. CSAC will be participating in this event and all county supervisors are invited to attend.

The CSAC Administration of Justice Policy Committee met on January 31, and brought forward an action item for consideration. The Executive Committee was asked to adopt a policy statement regarding counties' commitment to seeking collaborative solutions to housing high-risk sex offenders (HRSO) and sexually violent predators (SVPs), as follows:

*Counties commit to fully engaging in a collaborative process to define issues and seek solutions related to appropriate placement and housing of HRSOs and SVPs. This effort, in counties' view, must be founded in a committed partnership between state and local governments, must contain a local or regional planning process, and must consider the needs, capacity, and availability of resources in local communities.*

*To advance this collaborative effort, CSAC intends to sustain a leadership role in planning the March 2007 statewide summit on HRSO/SVP housing and will seek active and engaged involvement of county supervisors and a range of key county partners – both for purposes of the summit and in the broader context of future policy discussions and intergovernmental decision making processes.*

Motion and second to approve policy statement regarding High-Risk Sex Offenders and Sexually Violent Predators. Motion carried unanimously.

9. RESOLUTION TO SUPPORT HIGH SPEED RAIL

The CSAC Housing, Land Use and Transportation Policy Committee recommended support for a resolution relating to support for High-Speed Rail (attached).

Motion and second to approve resolution in support of High-Speed Rail and recommend adoption by CSAC Board of Directors. Motion carried unanimously.

10. STATE BUDGET/LEGISLATIVE REPORT

Staff provided a report on the Governor's Health Care Reform proposal and distributed a chart outlining elements contained in each of the current legislative health care proposals. The Housing, Land Use & Transportation Policy Committee will be meeting to discuss CSAC's role in the infrastructure bonds implementation. Staff provided an update on funding of Property Tax Administration program and announced that the Governor has formed a Commission on Other Post Employment Benefits (OPEBs), but no members have been appointed yet.

11. CCS PARTNERSHIP REPORT

Connie Busse, Director of the Cities, Counties, Schools (CCS) Partnership announced that this year marks the Partnership's 10<sup>th</sup> anniversary. A celebration is being planned for May. She indicated that the CCS Partnership has been focusing on the issue of childhood obesity and produced two reports which were contained in



the briefing materials. During 2007, the Partnership will be forming a task force to address the issue of transitioning foster youth out of the foster care system.

12. CSAC FINANCE CORPORATION REPORT

Two new programs were recently introduced. The Go-Solar program will benefit counties by offering access to solar facilities at a price that is competitive with current utility rates, but will save significantly over time. The U.S. Communities Purchasing Program has begun offering "green" products such as Energy Star certified products, biodegradable cleaning supplies, energy saving lighting and technology products and playground equipment using recycled materials. A complete list of green products was contained in the briefing materials.

13. CSAC CORPORATE ASSOCIATES REPORT

Jim Keene reported on the Corporate Associates meeting held on January 25-26 in Carmel. The group discussed funding level structure, developing targeted communications for corporate members and staffing. Norma Lammers will be overseeing the program upon Jim Keene's departure from CSAC and Supervisor Connie Conway was appointed liaison to the group.

The Executive Committee adjourned to a closed session to discuss staff transition issues and receive an update on the CSAC Executive Director recruitment process.

CALIFORNIA STATE ASSOCIATION OF COUNTIES  
RESOLUTION RELATING TO SUPPORT FOR HIGH-SPEED RAIL

WHEREAS, California, over several decades, has built an extensive network of freeways and airports, significantly expanded local and regional public transportation systems, greatly increased the number and frequency of commuter and intercity rail services, and promoted the development and use of alternative transportation modes, including bicycle, pedestrian, and water transit facilities, to meet the state's growing transportation needs; and

WHEREAS, These notable and sustained efforts are still not adequate to meet all the mobility needs of the state's current and future populations; and

WHEREAS, Californians will face a massive transportation challenge by the year 2020 to accommodate another 11 million people; and

WHEREAS, The cost of expanding the current network of highways and airports fully to meet the current and future transportation needs may be prohibitive and is not feasible in some regions; and

WHEREAS, California faces significant challenges in meeting increasingly stringent air quality standards and moderating or reducing its growing energy demand; and

WHEREAS, The EIR/EIS concluded, among other things, that the high-speed train system would help meet the need for intercity travel into the future and could carry up to 68 million passengers a year by 2020, would increase connectivity and accessibility to existing transit stations and airports, would improve travel options in parts of the state with limited bus, rail, and air transportation, would be safer and more reliable than highways or air travel and reduce congestion on highways and for air travel, would reduce door-to-door travel times, and would reduce total travel times for all transportation modes by diverting traffic to high-speed trains; and

WHEREAS, The EIR/EIS found that the project would have significant environmental benefits, including decreased energy consumption and improved air quality, would use less land than needed to expand highways and airports, would have fewer impacts overall on sensitive habitats and water resources, and would provide opportunities to plan for transit-oriented growth to meet future demands; and

NOW, THEREFORE, BE IT RESOLVED, the California State Association of Counties (CSAC) and its member counties support the further development and completion of the California High Speed Rail Authority's high-speed train project as described in the Authority's completed business and implementation plans

and the certified Environmental Impact Report/Environmental Impact Statement (EIR/EIS).

FURTHER RESOLVED, that CSAC supports the Authority's 2007-08 Fiscal Year state budget request of \$103 million, and supports passage of the Safe, Reliable High Speed Passenger Train Bond Act for the 21<sup>st</sup> Century scheduled for the November 2008 General Election.

ADOPTED THIS 22nd day of February, 2007 by the Board of Directors of the California State Association of Counties.

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Frank Bigelow, President

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**PROPOSED CSAC BUDGET FOR FY 2008**

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February 28, 2007

TO: CSAC Executive Committee

FROM: James Keene, Executive Director  
Steve O'Brien, Controller

SUBJECT: Proposed FY 2008 CSAC Budget

The Proposed CSAC Budget for FY 2008 continues the gradual strengthening of our financial position. Please note that by the end of FY 2007, we should have approximately \$1.3 million in cash reserves. This compares with a cash reserve of \$51,477 at the end of FY 2005.

Some of the highlights for FY 2007 Budget Year and issues for FY 2008:

**FY 2007 (Current Year)**

- As you will recall, you approved refinance of our two main properties (CSAC Building and Ransohoff) to move us from a variable to fixed rate loan.
- Salaries in 2007 are below budget, primarily due to non-hire of Deputy Director and some salary savings in vacant analyst (replacement) positions (which are being filled). CSAC increased approved staffing positions by 1.5 during the current fiscal year.
- FY 2007 debt service for Ransohoff includes \$325,000 payment of one time loan from City of Sacramento.
- Revenues from Finance Corporation were at all-time highs (\$2.825 million). We had planned to contribute \$500,000 to begin paying down debt but used those funds to support our contributions to *No on 90* campaign.
- Corporate Associates revenues were down due to turnover and non-hire of Deputy. Excluding Deputy salary savings though, we still should come out ahead in Corporate Associates program by almost \$100,000 due to significant reductions on expense side.
- Meetings budget took a loss of projected (\$225,000) with about (\$125,000) on expense side: Video use at annual conference, some one-time capital purchases for backdrops, etc.) and location; and almost (\$100,000) on revenue side: mostly due to drop in sponsorship at annual conference. This was due to staffing deficit, first year of new corporate membership program, and our decision to not aggressively pursue funds at end of calendar year but to put efforts into new year recruitments (see 2008 highlights). Combining Corporate Associates Budget and Meetings budgets results in a net loss of about (\$125,000). Counting the Deputy salary savings we break even.
- The Magazine is projected to lose about (\$85,000) this year, an increase of about (\$15,000) over last year.
- Overall, we project ending the year over \$500,000 in the black.

## **FY 2008 (Proposed Budget)**

- Proposed Budget expects adding \$137,000 surplus.
- Budget includes full staffing. Legislative unit in particular is staffed up with lobbyists and analysts in every policy area.
- Budget allows for \$50,000 fund for Legislative Counsel pilot project (see attached memo).
- Aggressive efforts are planned to elevate Corporate Associates memberships and corporate sponsorships for next year to begin to move meetings budget into the black. (Affiliate Relations staff, Katrina Thompson, and half-time Deputy Director Norma Lammers are focused on Corporate revenues).
- Finance Corporation Revenues are estimated at \$2.3 million. Potential for more??
- Ransohoff debt service includes \$500,000 pay down of loan (year one of eight year plan for both buildings).
- Magazine is slated for redesign and upgrade in quality and size. While this adds some expense, ad revenues are expected to increase faster.

## **Future Issues/Decisions from Jim's Perspective**

CSAC is effectively maxed out on ability to add new staff positions in the future without expanding/growing revenues in some new ways.

Propositions are increasingly part of the policy setting landscape. Exploration of means to fund CSAC's role in key initiatives including exploring PAC formation/other ideas should be pursued.

Addition of grassroots staff support to counties on a regional basis may be essential to building civic, media, and political support for county issues and strengthening the effectiveness of our advocacy. Also, concentration by CSAC staff on enhanced member outreach and relationship building is a high priority.

Restructuring of Finance Corporation Executive Director position and CSAC Deputy Director should be reviewed.

Support for enhancing the involvement of CAO's in CSAC will be beneficial to our long-term success.

Good luck as you move forward into the future. I know a new Executive Director can continue to improve CSAC and its financial condition. There is still plenty to do.

### **Recommendation:**

**It is recommended that the CSAC Executive Committee approve the Fiscal 2008 budget as presented.**



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916.441.5507

February 28, 2007

TO: Members, CSAC Executive Committee

FROM: James Keene, Executive Director  
Steve Keil, Director of Legislative Services

RE: **CSAC Budget for 2007/08: General Counsel**

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**Recommendation.** We request your approval for the addition of an expenditure item in the CSAC Budget for 2007/08 for reimbursement of General Counsel expenses not to exceed \$50,000. This request is not currently reflected in the budget document contained in your agenda.

**Background.** CSAC does not currently employ a general counsel. We do use private counsel for CSAC business needs. In addition, we receive outstanding assistance from Jennifer Henning, Executive Director of the County Counsels' Association and the County Counsels' Cost Shift Committee, along with other County Counsel committees, regarding advice on major policy issues. While the relationship between CSAC and the County Counsels' Association has been mutually beneficial, CSAC staff is generally reluctant to burden County Counsels with requests for legislative language development, language interpretation, or for legal research.

**Proposal.** We propose a pilot project for Fiscal Year 2007/08 in which an amount not to exceed \$50,000 would be added as a line item account to the CSAC budget to reimburse the County Counsels' Association for additional legal assistance. It is very likely that the services would be rendered by retired County Counsel attorneys who would be selected by, and work in consultation with, Jennifer Henning and other members of the County Counsels' Association. The services rendered would be for research, language development, and language interpretation regarding priority CSAC legislation and constitutional amendment issues. All expenditures would be mutually approved by the CSAC Executive Director and Jennifer Henning, and would be for services that exceed the policy advice we now receive from the County Counsels' Cost Shift Committee and other County Counsel committees. The \$50,000 request is relatively modest and will deliver up to a couple of hundred hours of assistance, but will provide us an opportunity to measure the value of this pilot project and extent of actual need. The County Counsels' Association Executive Committee has considered the possibility participation in this pilot project and is prepared to provide the requested assistance if approved by your Executive Committee.

This matter will be discussed during the review of the CSAC Budget proposal for fiscal year 2007/08.

cc: Jennifer Henning, Executive Director, County Counsels' Association

# California State Association of Counties

## Proposed Budget 2008

	2006	2007	2007	2008
	<u>Actual</u>	<u>Budget</u>	<u>Projected</u>	<u>Budget</u>
<b>Revenues:</b>				
Membership Dues	2,650,050	2,690,640	2,690,644	2,731,225
Contributions From Finance Corp	1,700,000	2,825,000	2,825,000	2,300,000
Audio/Video Conferencing	39,558	0	0	0
CEAC Contract	109,391	111,500	111,225	115,000
Corporate Associates Dues	176,500	225,000	120,000	150,000
Corporate Sponsorships	185,700		0	
Annual Conference Sponsors	100,100	95,000	162,450	160,000
Legislative Conference Sponsors	17,300	10,000	10,000	10,000
Conference Registration and Exhibitors	363,379	375,000	216,000	260,000
Magazine	137,368	120,000	123,594	142,000
Management Fees	266,012	236,000	304,724	262,000
Miscellaneous	43,266	19,000	50,743	25,000
NACo 2nd VP	7,000	0	0	0
Print shop/Publication Sales	92,759	80,000	67,650	75,000
Rental and Parking Income	920,179	877,700	977,784	994,100
Service Contracts	96,000	97,000	96,000	94,000
Investment Income	95,528	80,000	117,801	100,000
<b>Total Revenues</b>	<b>7,000,090</b>	<b>7,841,840</b>	<b>7,873,615</b>	<b>7,418,325</b>
<b>Expenditures:</b>				
Salaries	2,260,006	2,479,521	2,169,312	2,407,594
Retirement	577,404	743,062	694,907	756,430
Benefits	318,585	406,370	423,681	439,102
Travel	209,759	218,000	227,000	239,500
Communications	33,230	112,200	104,141	106,900
Audio/Video Conferencing	15,012	0	0	0
Utilities	101,072	120,000	105,685	110,000
Insurance	35,799	43,000	36,352	40,000
Publications	16,241	18,000	17,011	18,000
Legislative Bill Service	12,833	13,500	13,442	13,500
Membership Fees	21,795	25,750	23,600	25,750
Office Supplies	67,545	66,300	65,661	65,650
Postage and Delivery	28,770	40,500	34,995	36,500
Printing	113,768	110,300	114,769	130,100
R & M/Purchases	295,625	478,640	389,417	397,100
Initiative	50,000	500,000	600,094	0
Professional Services	535,476	576,000	538,349	529,500
Property Tax	123,442	86,000	82,797	86,000
Cities, Counties, Schools	75,692	76,000	75,890	76,000
Rent and Leases	116,428	143,615	204,370	229,216
Public Affairs	28,812	35,000	23,060	25,000
NACo 2nd VP Campaign	80,745	30,000	31,630	0
Conference Expenses	375,194	392,000	533,509	443,500
Mortgage Principal & Interest Expense	461,408	765,000	760,193	905,000
Miscellaneous	75,893	74,500	57,697	51,000
Contingency	0	0	0	100,000
Income Taxes	47,997	40,000	40,744	50,000
<b>Total Expenditures</b>	<b>6,245,231</b>	<b>7,593,258</b>	<b>7,368,306</b>	<b>7,281,342</b>
<b>Excess of Revenues Over (Under)</b>	<b>754,859</b>	<b>248,582</b>	<b>505,309</b>	<b>136,983</b>
<b>Expenditures</b>				





# CSAC Budget FY 2008

## Account Definitions and Explanations

### Revenues:

**Membership Dues** – Annual dues from counties. Slight increase based on Board of Directors action (November 2002) on recommendation of the CSAC Dues Structure Census Project.

**Contributions from Finance Corporation** – CSAC Finance Corporation contributions to CSAC.

**Audio/Video Conferencing** – CSAC is no longer associated with this service

**CEAC Contract** – Contract with County Engineers for lobbying, newsletter/roster generation and meeting planning. Increase contractually based on Consumer Price Index.

**Corporate Associates Dues** – Corporate Associates dues.

**Corporate Sponsorships** – Sponsorships over and above Corporate Associates dues and conference sponsorships.

**Annual Conference Sponsors** - Income from corporate sponsors.

**Legislative Conference Sponsors** - Income from corporate sponsors.

**Conference Registration and Exhibitors** – Income for registration and exhibitors for the CSAC annual and legislative conferences.

**Magazine** – Subscriptions and ads for the CA County magazine. Anticipate a revenue increase as the look the magazine is changing.

**Management Fees** – Fees for pay rolling affiliates, SB90 administration fees and CalWin administration fees.

**Miscellaneous** - Executive Search Partnership fees, website ad fees and other miscellaneous incomes.

**NACo 2<sup>nd</sup> VP** – No longer used

**Print Shop/Publication Income** - Print shop income from outside sources for making posters, copying, printing, binding and sales of rosters and fact books.

**Rental and Parking Income** – Office and conference center rental income and fees for using parking lot.

**Service Contracts** – Contracts with CSAC Finance Corp for accounting, marketing and clerical support and contracts with CSAC Finance Corp and Los Angeles County for computer support.

**Investment Income** – Interest from checking accounts and investment in CalTrust.

**CSAC Budget  
FY 2008  
Account Definitions and Explanations**

**Expenditures:**

**Salaries** – All CSAC salaries including overtime. Increase in 2007 budget due to addition of new Deputy Executive Director, which did not happen. 2006 actual expenses reflect staff vacancies for the latter half of the year including one lobbyist and one administrative assistant. 2007 Projected reflects the fact that the deputy director was not hired, the executive director's slot goes unfilled for the remainder of the year, a senior lobbyist retired and a bookkeeper was replaced by a temp for the remainder of the year. Budget includes a 3% increase for all staff in January 2008. Only half of that increase impacts 2008.

**Retirement** – Both employee and employer contribution to the SBCERS. Generally 32% of salaries. 2006 actual low as CSAC received a credit of 94K for one employee's overpayment.

**Benefits** – Includes medical, dental, EAP, LTD, AD&D, life, vision and worker's compensation insurance. Also staff training, payroll tax, car allowance and annual employee workshop. Increased budget slightly for inflation. The remaining increase due to increasing staff.

**Travel** – Travel for administrative, legislative staff, officers and NACo representative travel. Increase in 2008 due to legislative outreach program.

**Communications** – Cell phones, landlines, long distance, fax, legislative squawk box, Comcast television and T-1 lines. Lower 2006 actual due to a overstated 2005 accrual for cancelling a contract with SBC.

**Audio/Video Conferencing** – CSAC is no longer associated with this service.

**Utilities** - Natural gas, electricity, water, sewer and garbage for the buildings and parking lot.

**Insurance** – Insurance for the buildings, liability, employee dishonesty.

**Publications** – Various books and periodicals. Majority is an internal transfer for the cost of CA County magazine and rosters to all the supervisors.

**Legislative Bill Service** – From the California government printing office for bill printing.

**Membership Fees** – Membership and sponsorship for various 501(c)(3&4) s. Examples include ICMA, NACo, Civil Justice Association and California Infrastructure Association.

**Office Supplies** - All matter of office supplies including paper, binders, ink, toner, water, in-house meeting supplies, etc.

**Postage and Delivery** – Mail postage, FEDEX, UPS, courier. Includes postage for mailing the CA County magazine.

**Printing** – Printing brochures, annual report, rosters.

**CSAC Budget  
FY 2008  
Account Definitions and Explanations**

**R&M/Purchases** – includes all repairs to the building, equipment and computers. Also includes any purchases of equipment or furniture. 2007 budget includes 100K for replacing the window air conditioners and 100K to replace carpets, update 1<sup>st</sup> floor, paint back stairwell. 2008 budget includes 100K for various projects and moving expenses.

**Initiative** – Was for the prop 90 campaign.

**Professional Services** – Budget includes 195K Waterman, 6K Colbert, 20K temps, 25K other, 80K LOCAL and 80K to the Institute for Local Government (ILG). Account also includes parking lot management contract and commission to magazine ad agency.

**Property Tax** – Property taxes for the three CSAC properties. 2006 actual includes one time payment back taxes from reassessment when CSAC purchased the Ransohoff building.

**Cities, Counties, Schools Partnership** – Support for CCSP. 75K plus some meals.

**Rent and Leases** – Leases on five copiers, \$125/mo for restroom rental at 1110 K and remainder is rent CSAC charges itself the space at 1100K. The offset is income to the 1100K building.

**Public Affairs** – Press releases, website maintenance, communications projects, promotional projects and clipping service.

**NACo 2<sup>nd</sup> VP Campaign** – No longer used

**Conference Expenses** – All expenses associated with the legislative conference, annual conference and corporate associates steering committee meeting.

**Interest Expense** – Principal and interest payments on the two mortgages. 2007 projected includes paying off the 325K-city loan. 2008 budget includes 500K to buy down on of the two building loans.

**Miscellaneous** – Includes advertising, contributions, challenge award expenses and various misc. expenses.

**Contingency** – Reserve for unexpected expenses.

**Income Taxes** – State and Federal income tax.

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**PROPOSED LITIGATION COORDINATION  
PROGRAM BUDGET**

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# County Counsels' Association of California

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## BOARD OF DIRECTORS

### *Officers*

President

Robert Shulman  
Nevada County

First Vice-President  
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2005-2007 (North)  
Patrick K. Faulkner  
Marin County

2005-2007 (South)  
Vacant

2006-2008 (North)  
Dennis W. Bunting  
Solano County

2006-2008 (South)  
Marshall Rudolph  
Mono County

EXECUTIVE DIRECTOR  
Jennifer B. Henning

## MEMORANDUM

**To:** Frank Bigelow, President, and  
Members of the CSAC Executive Committee

**From:** Jennifer B. Henning, Litigation Coordinator

**Date:** March 15, 2007

**Re:** 2007-2008 Litigation Budget

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### **Recommended Action:**

Approve the 2007-2008 Litigation Coordination Budget and send the budget to the CSAC Board of Directors for final approval.

### **Reason for Recommended Action:**

The attached proposed budget is a balanced budget based on projected expenditures. The budget is similar to the budget approved for 2006-2007, but with reduced expenditures in certain office-related expenses, such as communications and publications, and an increase in retirement, employee group insurance and salaries to better reflect the actual costs of the Litigation Coordination Program. No increase in the Litigation Coordination Program dues is proposed.

### **Background:**

The Litigation Coordination Program is an important service provided by CSAC to its members. The program allows counties to save litigation costs by coordinating in multi-county cases, and by sharing information and resources. The Program also files *amicus curiae*, or "friend of the court," briefs on CSAC's behalf in State and federal appellate cases in order to advance the interests of all counties in the courts.

Last year, the CSAC Board of Directors approved a 10% increase in the Litigation Coordination Program fees, bringing the Program's total revenue to \$256,567.00.

This year's proposed budget makes reductions in several line items in the budget to better reflect actual costs. Those line items that have been reduced include: Staff travel, communications, publications, office supplies, postage and delivery, and printing costs. The reductions reflect actual costs experienced by the Program and are the result in part of the Program's increased reliance on electronic communications.

The primary costs associated with the Litigation Coordination Program are those related to personnel: salaries, retirement, group insurance, payroll taxes, and administrative fees. The proposed budget uses the cost savings from increased use of electronic communications to increase the budget for staff costs, particularly retirement costs. The Litigation Program's retirement costs have risen as a percentage of salaries over the past several fiscal years. (See chart below.) The proposed budget is designed to more realistically address these costs.

<u>Fiscal Year</u>	<u>% of Salaries</u>
02-03	20.7%
03-04	24.2%
04-05	28.6%
05-06	31.6%

**Conclusion:**

The proposed draft budget will be sufficient to fund the Litigation Coordination Program, and provide room for future expected cost increases. This budget has been reviewed and approved by the Litigation Overview Committee and the County Counsels' Association's Board of Directors. I appreciate your support of the Litigation Coordination Program, and ask for your approval of the proposed Fiscal Year 2007-2008 budget.

*CSAC/County Counsels' Association*  
**LITIGATION COORDINATION PROGRAM**  
FISCAL YEAR 2007-2008 BUDGET

Approved by Litigation Overview Committee on January 11, 2007  
Adopted by County Counsels' Association Board of Directors on January 18, 2007  
Approved by CSAC Executive Committee on \_\_\_\_\_, 2007  
Adopted by CSAC Board of Directors on \_\_\_\_\_, 2007

INCOME:

Membership Dues .....	256,567.00
TOTAL INCOME.....	256,567.00

EXPENSES:

Salaries.....	\$150,682.00
Retirement.....	50,000.00
Employee Group Insurance.....	23,000.00
Staff Expense and Travel .....	1,200.00
Communications .....	750.00
On-Line Expense.....	1,300.00
Publications.....	650.00
Membership Fees .....	400.00
Office Supplies.....	800.00
Postage/Delivery .....	500.00
Printing - Commercial.....	200.00
Printing - In House.....	1,200.00
Leases - Property.....	17,500.00
Payroll Tax.....	2,435.00
Administrative Fees .....	5,700.00
Committee Meeting Expense.....	250.00
TOTAL EXPENSES.....	256,567.00

**LITIGATION COORDINATION PROGRAM**  
FISCAL YEAR 2007-2008 BUDGET







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February 28, 2007

To: CSAC Executive Committee

From: James Keene, Executive Director  
Jean Kinney Hurst, Legislative Representative

Re: **Eminent Domain Proposal Update – POTENTIAL ACTION ITEM**

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**Recommendation.** Staff will be providing the Executive Committee with suggested language on a proposal on eminent domain reform, which has been negotiated with the Howard Jarvis Taxpayers' Association and other members of our No on 90 coalition for your approval. As of this writing, final language is not available; however, we hope to have language sent to you at the earliest possibility prior to your meeting on March 15.

**Background.** Recall that CSAC staff has been part of a discussion with a broad range of stakeholders – taxpayer, homeowner, local government, business, environmental, legislators and other groups – with the hope of developing a responsible eminent domain reform measure that could be presented to voters in 2008.

We are nearing preliminary agreement among stakeholders on a concept for a legislative proposal that includes a constitutional amendment and a companion statutory measure.

The concept being developed by the coalition, along with our legal and political advisors, includes constitutional restrictions that prohibit owner-occupied residences from being taken by eminent domain for transfer to a private entity. The proposal would also provide additional protections for small business owners. Again, much of this language is being debated and fine-tuned among a broad range of stakeholders.

The Executive Committee should also be aware that our coalition has filed a ballot initiative with the Attorney General's office, attached, as an "insurance policy." This measure is intended to provide eminent domain protection for homeowners, while offering a responsible, meaningful alternative to other measures that have already been filed or could be filed with the Attorney General for signature-gathering for a 2008 ballot.

As we have reported to you previously, an initiative has been filed with the Attorney General that contains eminent domain and regulatory takings provisions that – much like or even worse than last year's Proposition 90 – would severely limit governments' ability to provide basic community protections.

The coalition prefers a legislative solution; however, the existence of a draconian measure and the potential that special interests could seek to gather signatures to

place it on the ballot leaves us no choice but to file an initiative to provide an alternative option to voters. It also provides the coalition an opportunity to redirect our energies to the initiative route if our legislative strategy is unsuccessful.

To be clear, we are not asking for any local action on this proposal, as this is not our preferred approach.

**Policy Considerations.** Recall that the CSAC Board of Directors adopted “Eminent Domain/Redevelopment Principles” at its meeting on November 30. These principles give staff direction as to how to approach legislative and initiative measures that address the use of eminent domain and redevelopment. The principles specifically address eminent domain use:

*Counties recognize that eminent domain is a necessary and useful tool for important public projects. However, counties also recognize the importance of protecting private property from eminent domain for the purposes of private development.*

**Action Requested.** If the Executive Committee can review the draft language for the proposed legislative constitutional and statutory measures in a timely manner, staff requests approval of the proposal. Staff will report to Executive Committee members on progress at your March meeting.

Given the fluid nature of these negotiations, we reiterate that we are not requesting any local action on these measures until further notice.

**Staff Contact.** Please contact Jean Kinney Hurst ([ihurst@counties.org](mailto:ihurst@counties.org) or (916) 327-7500 x515) for additional information.

TITLE: This measure shall be known as the "Homeowners and Private Property Protection Act."

## SECTION 1: PURPOSE AND INTENT

By enacting this measure, the people of California hereby express their intent to:

- A. Protect their homes from eminent domain abuse.
- B. Prohibit government agencies from using eminent domain to take an owner-occupied home to transfer it to another private owner or developer.
- C. Amend the California Constitution to respond specifically to the facts and the decision of the U.S. Supreme Court in *Kelo v. City of New London*, in which the Court held that it was permissible for a city to use eminent domain to take the home of a Connecticut woman for the purpose of economic development.
- D. Respect the decision of the voters to reject Proposition 90 in November 2006, a measure that included eminent domain reform but also included unrelated provisions that would have subjected taxpayers to enormous financial liability from a wide variety of traditional legislative and administrative actions to protect the public welfare.
- E. Provide additional protection for property owners without including provisions, such as those in Proposition 90, which subjected taxpayers to liability for the enactment of traditional legislative and administrative actions to protect the public welfare.
- F. Maintain the distinction in the California Constitution between Section 19, Article I, which establishes the law for eminent domain, and Section 7, Article XI, which establishes the law for legislative and administrative action to protect the public health, safety and welfare.
- G. Provide a comprehensive and exclusive basis in the California Constitution to compensate property owners when property is taken or damaged by state or local governments, without affecting legislative and administrative actions taken to protect the public health, safety and welfare.

## SECTION 2: AMENDMENT TO THE CALIFORNIA CONSTITUTION

Section 19 of Article I of the California Constitution is hereby amended to read:

Sec. 19. (a) Private property may be taken or damaged for a public use and only when just compensation, ascertained by a jury unless waived, has first been paid to, or into court for, the owner. The Legislature may provide for possession by the condemnor following commencement of eminent domain proceedings upon deposit in court and prompt release to the owner of money determined by the court to be the probable amount of just compensation.

*(b) The State and local governments are prohibited from acquiring by eminent domain an owner-occupied residence for conveyance to a private person.*

*(c) Subdivision (b) of this Section does not apply when the acquisition of private property by eminent domain is for a Public work or improvement or when State or local government exercises the power of eminent domain to abate a nuisance; to protect public health and safety from building, zoning or other code violations; to prevent serious, repeated criminal activity; to respond to an emergency; or to remedy environmental contamination that poses a threat to public health and safety.*

*(d) For the purpose of this section:*

- 1. "Conveyance" means a transfer of real property whether by sale, lease, gift, franchise, or otherwise.*
- 2. "Local government" means any city, including a charter city, county, city and county, school district, special district, authority, regional entity, redevelopment agency, or any other political subdivision within the State.*
- 3. "Owner-occupied residence" means real property that is improved with a single family residence such as a detached home, condominium, or townhouse and that is the owner or owners' principal place of residence for at least one year prior to the State or local government's initial written offer to purchase the property. Owner-occupied residence also includes a residential dwelling unit attached to or detached from such a single family residence which provides complete independent living facilities for one or more persons.*
- 4. "Person" means any individual or association, or any business entity, including, but not limited to, a partnership, corporation, or limited liability company.*
- 5. "Public work or improvement" means facilities or infrastructure for the delivery of public services such as education, police, fire protection, parks, recreation, emergency medical, public health, libraries, flood protection, streets or highways, public transit, railroad, airports and seaports; utility, common carrier or other similar projects such as energy-related, communication-related, water-related and waste-water-related facilities or infrastructure; projects identified by a State or local government for recovery from natural disasters; and private uses incidental to, or necessary for, the Public work or improvement.*
- 6. "State" means the State of California and any of its agencies or departments.*

SECTION 3. The meaning of the terms in subdivision (a) of Section 19, Article I of the California Constitution, including, without limitation, "taken," "damaged," "public use," and "just compensation," are deliberately not changed by this measure.

SECTION 4. The provisions of Section 19, Article I, together with the amendments made by this initiative, are the exclusive and comprehensive basis in the California Constitution for providing compensation to property owners when private property is

taken or damaged by state or local government. Nothing in this initiative shall limit the ability of the Legislature to provide compensation in addition to that which is required by Section 19 of Article I to property owners whose property is taken or damaged by eminent domain.

SECTION 5. The amendments made by this initiative shall not apply to the acquisition of real property if the initial written offer to purchase the property was made on or before January 1, 2008, and a resolution of necessity to acquire the real property by eminent domain was adopted on or before December 31, 2008.

SECTION 6. The words and phrases used in the amendments to Section 19, Article I of the California Constitution made by this initiative which are not defined in subdivision (d), shall be defined and interpreted in a manner that is consistent with the law in effect on January 1, 2007 and as that law may be amended or interpreted thereafter.

SECTION 7. The provisions of this measure shall be liberally construed in furtherance of its intent to provide homeowners with protection against exercises of eminent domain in which an owner-occupied residence is subsequently conveyed to a private person.

SECTION 8. The provisions of this measure are severable. If any provision of this measure or its application is held invalid, that invalidity shall not affect other provisions or applications that can be given effect without the invalid provision or application.

SECTION 9. In the event that this measure appears on the same statewide election ballot as another initiative measure or measures that seek to affect the rights of property owners by directly or indirectly amending Section 19, Article I of the California Constitution, the provisions of the other measure or measures shall be deemed to be in conflict with this measure. In the event that this measure receives a greater number of affirmative votes, the provisions of this measure shall prevail in their entirety, and each and every provision of the other measure or measures shall be null and void.

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**HEALTH AND HUMAN SERVICES BUDGET UPDATE**

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CWDA

California State Association of Counties  
1100 K Street, Suite 101  
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(916) 327-7500

Urban Counties Caucus  
1100 K Street, Suite 101  
Sacramento, CA 95814  
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County Welfare Directors Association  
925 L Street, Suite 350  
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## FACT SHEET

### **Failure to Fund County Human Services Program Costs Results in Service Cuts**

While counties are legislatively mandated to administer numerous human services programs, funding for these services is frozen at 2001 cost levels. Failing to fund actual county cost increases for six years has led to a growing funding gap – currently \$793 million *annually*. This puts counties in the untenable position of backfilling the gap with their own limited resources or cutting services that the state expects us to deliver.

Counties struggle to meet the needs of clients despite this gap. Some have partially offset the cuts using their own funds, but this is far from enough to fill the hole. As a result, the brunt of these cuts are borne by the children, families and elder and dependent adults who seek help from us every year.

***Counties call on the Legislature and Governor to enact legislation to restore the process of budgeting human services programs based on reasonable current costs, with an appropriate phase-in period.***

### **What does county human services program funding include?**

The services that counties provide to needy Californians are delivered primarily by people: dedicated human services professionals who investigate allegations of child and adult abuse and neglect, ensure that hungry families receive timely and accurate Food Stamp and CalWORKs benefits, and help elder and dependent adults receive services to remain in their own homes rather than entering institutions.

In order to deliver legislatively mandated services to the most vulnerable Californians in the most effective and efficient manner possible, counties must recruit and retain a quality workforce. In doing so, counties establish salaries and benefits under collective bargaining laws, and ensure an appropriate work environment with the basic tools that enable staff to do their jobs. These are costs that any organization, public or private, must incur to deliver a service or product; they are sometimes referred to as the “cost of doing business.” These costs, like the cost of living, increase over time. Computers must be replaced, health coverage gets more expensive, rent and utility costs increase.

These are the costs that have gone unrecognized and unfunded since 2001.

### **County human services programs are funded as if it's 2001**

Because counties must pay the cost of running our human services programs in today's dollars, the freeze forces counties to reduce services or cut other programs to make up the difference. For example, the 2006-07 budget for Child Welfare Services assumes that counties can fund 10,285 full-time workers to serve abused and neglected children. However, since counties have not been funded for increases in costs for several years, the budget truly funds only 8,514 full-time workers – a 17 percent reduction. This loss of 1,771 staff requires counties to either reduce services or figure out a way to fund additional staff from our own limited resources. Similar losses in staff can be calculated for every human services program where costs are frozen.

### **Lost staff equals reduced services**

The loss of workers hurts abused children and dependent adults, and threatens family stability. 1,771 Child Welfare Services workers could protect 17,710 children from abuse and neglect every year. For In-Home Supportive Services, 614 workers could qualify 94,274 low-income elder and dependent adults and disabled children for services to allow them to remain safely at home instead of entering a nursing home. In Adoptions, 45 workers could place 522 foster children into permanent stable families through adoption. To the extent that counties are only able to backfill a small fraction of the funding gap, the result is abused and neglected children suffering longer, needy children not receiving care for extended periods of time, and elder and dependent adults more likely to enter nursing homes.

### **Not funding county programs is a cost shift under Proposition 1A**

Freezing program funding shifts costs to counties, increasing the county share of program costs above statutory sharing ratios. The County Counsels' Association has opined that this cost shift is in violation of the constitutional provisions of Proposition 1A.

### **Failure to fund services exposes state to huge federal financial penalties**

Counties are subject to numerous accountability and performance measures in administering programs on behalf of the state. These measures are based on the assumption that counties are sufficiently funded to meet program requirements, even though they are only funded as if it is 2001. To the extent that accountability or performance measures are not met, the state and counties are subject to potential federal penalties. Therefore, not funding county program costs strains the ability of counties to meet these standards, putting the state and counties at risk for hundreds of millions of dollars in federal penalties in CalWORKS, Child Welfare Services, Foster Care Eligibility, Adoptions and the Food Stamps Program.

### **Process to estimate actual county costs is underway**

The 2006-07 budget trailer bill (AB 1808) requires the state to estimate the actual costs for counties to administer human services programs. The survey process to accurately establish current costs is underway and the 2007-08 May Revision budget documents are required to show the estimates developed from the survey and the difference between these estimates and the proposed funding levels.

### **County human services program funding should be based on current costs**

The county cost survey is a positive step forward in estimating actual costs and highlighting any difference between those costs and the funding proposed in the budget. However, more needs to be done. Funding for county administration needs to be based on current costs, as reflected in the county cost survey, to ensure that expected program requirements can be met.





California State Association of Counties

Urban Counties Caucus

County Welfare Directors Association



CWDA

### County Human Services Program Funding

Program	Description	Accountability/ Performance Monitoring	Average Monthly Caseload 2006-07	2006- 07 Budget	Sharing Ratio	Budget Methodology	Annual Impact of Cuts Since 2000-01*
<b>CalWORKS Eligibility, Work Welfare to Work Services, and Child Care</b>	The State's welfare reform program that began 1997-98. Counties perform eligibility determination, benefit issuance, welfare-to-work services, and child care to qualifying low-income families.	50 percent share of federal work participation penalty for potential county exposure of \$74.5 million in the current federal fiscal year potentially growing by up to \$30 million per year, up to a maximum penalty of \$313 million.	467,667	\$1.93 billion total funds	\$1.5 billion Federal TANF Funds \$378.1 million State \$58 million County	The Budget funds costs at the 2000-01 level, creating a program shortfall. Changes in caseload are budgeted, but the costs of serving that caseload are frozen at the 2000-01 level, exacerbating the program shortfall. Budget adjustments are for premises that can increase or decrease the budget. Originally based on PCAB (Proposed County Administrative Budget), a process to determine actual county costs.	\$277.8 million unfunded cost-of-doing-business increases \$109.5 million cut to county operations and services
<b>Food Stamps Administration</b>	Counties provide eligibility determination and benefit issuance to eligible low-income families.	Federal error-rate penalty with potential county fiscal exposure in the millions of dollars.	836,712	\$512.4 million total funds	50 percent Federal 35 percent State 15 percent County	The Budget funds costs at the 2000-01 level, creating a program shortfall. Changes in caseload are budgeted, but the costs of serving that caseload are frozen at the 2000-01 level, exacerbating the program shortfall. Budget adjustments are for premises that can increase or decrease the budget. Originally based on PCAB, a process to determine actual county costs.	\$160.6 million unfunded cost-of-doing-business increases \$65.6 million reductions to county operations and services

Program	Description	Accountability/ Performance Monitoring	Average Monthly Caseload 2006-07	2006- 07 Budget	Sharing Ratio	Budget Methodology	Annual Impact of Cuts Since 2000-01*
<b>Medi-Cal Eligibility</b>	Counties provide eligibility determination for health insurance to low-income families	Variety of state accountability and performance measures with potential penalties of up to two percent of the allocation each year, for potential county exposure of \$26.7 million based on the current allocation. Performance measures address application and redetermination processing times, linkages to the Healthy Families program, and processing automation alerts.	6.6 million	\$1 billion	50 percent Federal  50 percent State	Since 2003-04 based on an annual Budget Worksheet request submitted to and approved by DHS. The worksheet is a method to determine actual Medi-Cal costs.	Fully Funded
<b>Adoptions</b>	Counties provide adoptions placements for abused or neglected children in foster care.	Federal Children and Family Services Review.  State Outcomes and Accountability System (AB 636) provides quarterly individual county performance on 14 measures related to child safety, permanence, and well-being.  Same as Adoptions.	72,803	\$72.8 million total funds	43.67 percent Federal  56.33 percent State	The Budget funds costs at the 2000-01 level. Counties are funded with a total of 560.55 full-time equivalent workers statewide. Originally based on the unit cost for an annual adoption worker in each county multiplied by the number of full-time equivalent workers.	\$5.9 million unfunded cost-of-doing-business increases  \$18 million cut to county operations and services
<b>Child Welfare Services</b>	Counties provide a broad range of services to abused and neglected children and families at risk of abuse and neglect including emergency response, assessment, family maintenance, family reunification, and permanent placement.		159,038	\$1.39 billion total funds	50 percent Federal  35 percent State  15 percent County	The Budget funds costs at the 2001-02 level, creating a program shortfall. Changes in caseload are budgeted, but the costs of serving that caseload are frozen at the 2001-02 level, exacerbating the program shortfall. Budget adjustments are for premises that can increase or decrease the budget. Originally based on PCAB, a process to determine actual county costs.	\$228 million unfunded cost-of-doing-business increases

Program	Description	Accountability/ Performance Monitoring	Average Monthly Caseload 2006-07	2006- 07 Budget	Sharing Ratio	Budget Methodology	Annual Impact of Cuts Since 2000-01*
<b>Foster Care Eligibility</b>	Counties determine eligibility and establish federal eligibility to create State General Fund savings. In addition, counties determine benefit issuance of foster payments to group homes, foster family homes, guardians, and relative caretakers	Federal IV-E Foster Care Eligibility Review potentially leading to federal disallowances of millions of dollars.	72,315	\$97.4 million total funds	50 percent Federal 35 percent State 15 percent County	The Budget funds costs at the 2000-01 level, creating a program shortfall. Changes in caseload are budgeted, but the costs of serving that caseload are frozen at the 2000-01 level, exacerbating the program shortfall. Budget adjustments are for premises that can increase or decrease the budget. Originally based on PCAB (Proposed County Administrative Budget), a process to determine actual county costs.	\$30.8 million unfunded cost-of-doing-business increases \$2.6 million cut to county operations and services
<b>Adult Protective Services</b>	Counties respond to reports of elder and dependent adult abuse and provide assessment, investigation, and case management services including emergency shelter care, food, and transportation.		20,566	\$88.3 million total funds	\$50.2 million State General Fund Federal Title XIX	Costs have been frozen at the 2002-03 level. Budget adjustments are for changes in estimated federal Title XIX reimbursements only.	\$19.2 million unfunded cost-of-doing-business increases \$16.7 million cut to county operations and services
<b>In-Home Supportive Services Administration</b>	Counties provide both eligibility determination and assessment for the types and numbers of hours of service for eligible clients. Low-income elderly and disabled adults and disabled children receive in-home care services from providers (i.e. personal care, meal preparation, housecleaning).	State Quality Assurance Initiative requiring counties to complete specific tasks designed to increase the accuracy of the authorized hours per case.	374,999	\$273.4 million total funds	49.06 percent Federal 35.66 percent State 15.28 percent County	Counties receive funding for a specific number of hours of social worker time. However, the number of hours does not reflect the amount of social worker time needed to determine eligibility and assess the types and numbers of hours of service. Caseload adjustments funded at 2000-01 costs. There has been no increase in cost-of-doing-business since 2000-01.	\$70.9 million unfunded cost-of-doing-business increases
<b>Total Annual Impact of cuts (\$212.4 million) and unfunded cost-of-doing-business increases (\$793.2 million) through 2006-07 Budget.</b>							<b>\$1,006 billion Total Funds \$637.0 million State General Funds</b>

\* Cuts include those adopted by the Legislature and funds vetoed by the Governor. Chart updated February 27, 2007.

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**NATIONAL ASSOCIATION OF COUNTIES  
(NACo) REPORT**

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## Preliminary Schedule of Events

### **Saturday, March 3**

8:30 a.m. – 5:00 p.m.

Registration

All Day

Steering Committee, Sub Committee and Affiliate Meetings

9:00 a.m. – 4:00 p.m.

ALT Pre-Conference Seminar #1 (Separate registration fee required)

"Communicating Your Leadership"

*Co-sponsored with the National Association of County Information Officers (NACIO)*

1:00 p.m. – 4:00 p.m.

ALT Pre-Conference Seminar #2 (Separate registration fee required)

"Leadership on the Line – The Dangers of Leading"

### **Sunday, March 4**

8:30 a.m. – 4:00 p.m.

Registration

All Day

Steering Committee, Sub Committee and Affiliate Meetings

9:00 a.m. – 12:00 Noon

ALT Pre-Conference Seminar #3 (Separate registration fee required)

"Guarding the Public Checkbook"

1:00 p.m. – 4:00 p.m.

ALT Pre-Conference Seminar #4 (Separate registration fee required)

"Creative Techniques for Involving Citizens in Planning Your County's Future"

### **Monday, March 5**

8:00 a.m. – 2:00 p.m.

Registration

9:00 a.m. – 10:15 a.m.

Concurrent Educational Sessions I

9:00 a.m. – 12:00 Noon

NACo Board of Directors Meeting

10:45 a.m. – 12:00 Noon

Concurrent Educational Sessions II

1:30 p.m. – 3:30 p.m.

Opening General Session

*Featured Presentation: "Ceasefire on Health Care"*

*Evening Open*

**Tuesday, March 6**

8:00 a.m. – 3:00 p.m.  
Registration

8:30 a.m. – 10:30 a.m.  
General Session  
*Featured Speaker: Charlie Cook*

11:00 a.m. – 12:15 p.m.  
Concurrent Educational Sessions III

12:30 p.m. – 2:30 p.m.  
Attendee Luncheon  
*Entertainment: The Capital Steps*

2:45 p.m. – 4:00 p.m.  
Concurrent Educational Sessions IV

6:30 p.m. – 9:00 p.m.  
NACo President's Reception

**Wednesday, March 7**

Capitol Hill Visits

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**CSAC FINANCE CORPORATION UPDATE**

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CALIFORNIA STATE ASSOCIATION OF COUNTIES  
**FINANCE CORPORATION**

February 28, 2007

TO: CSAC Executive Committee

FROM: Greg Cox, Board Member  
Norma Lammers, Executive Director  
CSAC Finance Corporation

RE: **Update from CSAC Finance Corporation  
INFORMATION ITEM**

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The U.S. Communities pooled purchasing program continues to grow at a strong pace. Sales in California counties grew 27.5% in 2006 over 2005 totals. There are now over 19,000 governmental agencies participating in the program nationwide and annual sales topped \$1 billion last year. Attached is a breakdown of sales, and estimated savings based on products purchased under the program, on a county-by-county basis. The savings estimates are calculated by tallying the dollars purchased from a particular supplier and the average discount offered by that supplier: e.g. Homeland Security – 39%, Office Depot – 60+%. Projected revenues to CSAC Finance Corporation from this program are expected to exceed \$1 million in 2007.

Just a reminder that the discounts under the purchasing program is also available to nonprofits. If you would like, we can provide you with brochures and a sample letter to send to nonprofits in your community.

This year we will be conducting four regional seminars on the purchasing program, as well as the other finance and investment programs offered under the umbrella of the Finance Corporation. We will provide you with exact locations and dates as soon as they are finalized.



## California Sales Data by County

County Consolidated City/County	2005 Annual Sales & Savings Report		2006 Annual Sales & Savings Report	
	Qtr: 1,2,3,4		Qtr: 1, 2, 3, 4	
	2005 Sales	2005 County Savings	2006 Sales	2006 County Savings
Alameda County	\$ 193,896.72	\$ 10,352.84	\$ 276,940.29	\$ 14,660.84
Alpine County			\$ 1,528.03	\$ 280.35
Amador County	\$ 81,727.53	\$ 20,431.88	\$ 155,078.58	\$ 37,845.31
Butte County	\$ 792,993.66	\$ 118,537.25	\$ 874,702.57	\$ 129,098.79
Calaveras County	\$ 95,315.46	\$ 23,792.12	\$ 152,105.05	\$ 37,690.36
Colusa County	\$ 95,770.24	\$ 23,942.56	\$ 135,101.63	\$ 32,798.77
Contra Costa County	\$ 457,735.63	\$ 45,773.56	\$ 724,456.33	\$ 70,840.74
Del Norte County	\$ 7,914.88	\$ 1,582.98	\$ 1,631.40	\$ 407.85
El Dorado County	\$ 10,387.79	\$ 1,038.78	\$ 45,781.56	\$ 3,899.60
Fresno County	\$ 2,059,708.92	\$ 206,032.72	\$ 2,058,729.05	\$ 205,726.11
Glenn County	\$ 33,219.37	\$ 8,304.84	\$ 60,656.76	\$ 15,037.71
Humboldt County	\$ 133,246.86	\$ 19,987.03	\$ 100,957.78	\$ 15,133.27
Imperial County	\$ 489,735.33	\$ 73,460.30	\$ 528,176.25	\$ 78,057.03
Inyo County	\$ 51,452.17	\$ 12,863.04	\$ 69,383.40	\$ 17,345.85
Kern County	\$ 1,808,250.44	\$ 176,941.58	\$ 1,832,243.01	\$ 183,224.30
Kings County	\$ 354,972.28	\$ 53,245.84	\$ 393,180.21	\$ 58,088.76
Lake County	\$ 220,466.76	\$ 44,093.35	\$ 115,740.07	\$ 23,086.58
Lassen County	\$ 103,468.58	\$ 25,838.24	\$ 111,810.58	\$ 27,952.65
Los Angeles County	\$ 11,682,722.94	\$ 898,462.54	\$ 11,081,213.33	\$ 776,534.41
Madera County	\$ 424,261.41	\$ 63,208.80	\$ 593,089.28	\$ 83,022.47
Marin County	\$ 117,919.92	\$ 17,293.31	\$ 200,636.14	\$ 24,704.84
Mendocino County	\$ 16,588.24	\$ 3,317.65	\$ 33,346.89	\$ 6,235.10
Merced County	\$ 1,218,559.03	\$ 133,225.02	\$ 912,442.81	\$ 128,916.07
Modoc County			\$ 4,545.60	\$ 1,136.40
Mono County				
Monterey County	\$ 76,399.65	\$ 7,639.97	\$ 103,217.52	\$ 9,792.26
Napa County	\$ 951,228.48	\$ 120,290.37	\$ 578,182.67	\$ 80,764.57
Nevada County	\$ 6,113.16	\$ 1,222.63	\$ 5,400.55	\$ 1,080.11
Orange County	\$ 470,549.71	\$ 24,528.58	\$ 571,186.68	\$ 35,469.24
Placer County	\$ 751,604.42	\$ 103,316.56	\$ 517,129.27	\$ 55,012.31
Plumas County	\$ 6,189.06	\$ 1,547.27	\$ 10,188.31	\$ 2,547.08
Riverside County	\$ 615,524.48	\$ 31,043.68	\$ 1,187,041.53	\$ 75,010.29
Sacramento County	\$ 9,457.69	\$ 662.04	\$ 299,762.28	\$ 22,077.57
San Benito County	\$ 4,483.98	\$ 896.80	\$ 31,483.76	\$ 3,082.38
San Bernardino County	\$ 790,118.50	\$ 78,558.67	\$ 3,164,788.37	\$ 249,753.09
San Diego County	\$ 1,653,295.93	\$ 91,305.54	\$ 4,980,482.98	\$ 287,328.12
San Francisco County	\$ 42,398.77	\$ 4,347.52	\$ 50,451.34	\$ 5,136.53
San Joaquin County	\$ 567,558.04	\$ 56,802.42	\$ 1,004,395.78	\$ 99,803.23
San Luis Obispo County	\$ 1,338,528.71	\$ 183,108.32	\$ 1,455,094.74	\$ 200,461.47
San Mateo County	\$ 13,249.87	\$ 1,324.99	\$ 1,249,727.80	\$ 123,633.77
Santa Barbara County	\$ 42,957.83	\$ 4,295.78	\$ 327,412.38	\$ 28,963.16
Santa Clara County	\$ 335,935.67	\$ 32,634.96	\$ 483,561.87	\$ 46,767.88

County Consolidated City/County	2005 Annual Sales & Savings Report Qtr: 1,2,3,4		2006 Annual Sales & Savings Report Qtr: 1, 2, 3, 4	
	2005 Sales	2005 County Savings	2006 Sales	2006 County Savings
Sierra County			\$ 12,214.11	\$ 3,053.53
Siskiyou County	\$ 8,984.68	\$ 2,090.27	\$ 686.46	\$ 171.62
Solano County	\$ 1,150,086.48	\$ 114,955.36	\$ 1,304,449.19	\$ 128,253.00
Sonoma County	\$ 2,085,989.41	\$ 208,639.73	\$ 1,733,476.29	\$ 173,347.63
Stanislaus County	\$ 24,888.90	\$ 2,488.89	\$ 128,919.89	\$ 12,232.12
Sutter County	\$ 220,108.63	\$ 43,343.82	\$ 263,506.37	\$ 51,681.71
Tehama County	\$ 440,466.72	\$ 88,093.34	\$ 331,465.34	\$ 61,824.33
Trinity County	\$ 400.39	\$ 100.10	\$ 68,249.18	\$ 17,062.30
Tulare County	\$ 2,740,910.95	\$ 273,824.70	\$ 3,378,054.03	\$ 335,223.62
Tuolumne County				
Ventura County	\$ 3,785.94	\$ 378.59	\$ 204,653.74	\$ 16,240.08
Yolo County			\$ 623,845.32	\$ 58,477.56
Yuba County	\$ 514,711.66	\$ 102,942.33	\$ 374,189.68	\$ 74,267.95
<b>State Totals:</b>	<b>\$ 36,218,084.64</b>	<b>\$ 3,652,293.72</b>	<b>\$ 46,159,724.16</b>	<b>\$ 4,355,438.21</b>