

CALIFORNIA STATE ASSOCIATION OF COUNTIES  
BOARD OF DIRECTORS  
Thursday, November 29, 2012  
2:00pm - 4:00pm  
Grand Ballroom, Long Beach Convention Center

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A G E N D A

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Presiding: Mike McGowan, President

**2:00pm      PROCEDURAL ITEMS**

1. Roll Call Page 1
2. Approval of Minutes of September 6, 2012 Page 3

**2:10pm      CSAC EXECUTIVE DIRECTOR'S REPORT**

**2:30pm      ACTION ITEMS**

3. Election of 2013 Executive Committee handout
  - *Matt Cate, CSAC Executive Director*
  
4. CSAC Policy Committee Reports Page 7
  - Administration of Justice
  - *Supervisor Federal Glover, Chair*
  - *Elizabeth Howard, CSAC staff*
  
  - Agriculture and Natural Resources Page 8
  - *Supervisor Richard Forster, Chair*
  - *Karen Keene, CSAC staff*
  
  - Government Finance and Operations Page 9
  - *Supervisor Bruce Gibson, Chair*
  - *Jean Hurst & Eraina Ortega, CSAC staff*
  
  - Health and Human Services Page 10
  - *Supervisor Liz Kniss, Chair*
  - *Kelly Brooks, CSAC staff*
  
  - Housing, Land Use and Transportation Page 11
  - *Supervisor Efren Carrillo, Chair*
  - *DeAnn Baker, CSAC staff*
  
5. CSAC Affiliate Status Request from Latino Caucus of California Counties Page 12
  - *Supervisor Phil Serna, Sacramento County*
  
6. Appointment of Alternate Commissioner to CSCDA Page 13
  - *Nancy Parrish, CSAC Finance Corp. Executive Director*
  
7. Pension Reform Update: CSAC Compliance with State Law Page 14
  - *Matt Cate, CSAC Executive Director*
  - *Robert Blum, Hansen Bridgett, LLP*
  
8. Resolution Authorizing Executive Director to Conduct CSAC Business Page 19
  - *Mike McGowan, CSAC President*

3:45pm **INFORMATION ITEMS**

9. ***The following items are contained in briefing materials for information, but no presentation is planned:***

- ❖ 2013 Board of Directors Meeting Schedule Page 20
- ❖ CSAC Institute for Excellence in County Government Report Page 21
- ❖ CSAC Finance Corporation Report Page 25
- ❖ CSAC Corporate Associates Report Page 26
- ❖ Institute for Local Government & CCS Partnership Update Page 27

10. Other Items

4:00pm **ADJOURN**

# CALIFORNIA STATE ASSOCIATION OF COUNTIES

## Board of Directors

2013

<u>Section</u>	<u>County</u>	<u>Director</u>
U	Alameda County	Keith Carson
R	Alpine County	Terry Woodrow
R	Amador County	Louis Boitano
S	Butte County	Maureen Kirk
R	Calaveras County	Merita Callaway
R	Colusa County	Kim Dolbow Vann
U	Contra Costa County	Federal Glover
R	Del Norte County	Michael Sullivan
R	El Dorado County	Norma Santiago
S	Fresno County	Henry Perea
R	Glenn County	John Viegas
R	Humboldt County	Mark Lovelace
S	Imperial County	Gary Wyatt *
R	Inyo County	Susan Cash *
S	Kern County	Mike Maggard
R	Kings County	Doug Verboon
R	Lake County	Anthony Farrington
R	Lassen County	Jim Chapman
U	Los Angeles County	Don Knabe
R	Madera County	Max Rodriguez
S	Marin County	Susan Adams
R	Mariposa County	Kevin Cann
R	Mendocino County	Carre Brown
S	Merced County	Hubert "Hub" Walsh
R	Modoc County	Jeff Bullock *
R	Mono County	Larry Johnston
S	Monterey County	Fernando Armenta
S	Napa County	Brad Wagenknecht
R	Nevada County	Ed Scofield
U	Orange County	John Moorlach
S	Placer County	Jim Holmes
R	Plumas County	Jon Kennedy
U	Riverside County	John Benoit

U	Sacramento County	Susan Peters
R	San Benito County	Margie Barrios
U	San Bernardino County	Josie Gonzales
U	San Diego County	Greg Cox
U	San Francisco City & County	Eric Mar
S	San Joaquin County	Larry Ruhstaller
S	San Luis Obispo County	Bruce Gibson
U	San Mateo County	Carole Groom
S	Santa Barbara County	Joni Gray *
U	Santa Clara County	Ken Yeager
S	Santa Cruz County	John Leopold
S	Shasta County	Glenn Hawes *
R	Sierra County	Lee Adams
R	Siskiyou County	Ed Valenzuela
S	Solano County	Linda Seifert
S	Sonoma County	Efren Carrillo
S	Stanislaus County	Vito Chiesa
R	Sutter County	Larry Munger
R	Tehama County	Robert Williams
R	Trinity County	Judy Pflueger
S	Tulare County	Steve Worthley
R	Tuolumne County	Randy Hanvelt
U	Ventura County	Kathy Long
S	Yolo County	Matt Rexroad
R	Yuba County	Roger Abe

President: David Finigan, Del Norte  
 First Vice President: John Gioia, Contra Costa  
 Second Vice President:  
 Immed. Past President: Mike McGowan, Yolo

SECTION: U=Urban S=Suburban R=Rural

**\* Denotes 2012 Director – no update available**

CALIFORNIA STATE ASSOCIATION OF COUNTIES  
 BOARD OF DIRECTORS  
 September 6, 2012  
 CSAC Conference Center, Sacramento

MINUTES

Presiding: Mike McGowan, President

1. ROLL CALL

Alameda	Keith Carson	Placer	Jim Holmes
Alpine	Terry Woodrow	Plumas	Jon Kennedy
Amador	absent	Riverside	John Benoit
Butte	Maureen Kirk	Sacramento	Susan Peters
Calaveras	Merita Callaway	San Benito	Margie Barrios (audio)
Colusa	absent	San Bernardino	Gary Ovitt (audio)
Contra Costa	Gioia/Glover	San Diego	Greg Cox
Del Norte	David Finigan	San Francisco	Eric Mar (audio)
El Dorado	John Knight	San Joaquin	Larry Ruhstaller
Fresno	Henry Perea	San Luis Obispo	Bruce Gibson
Glenn	John Viegas	San Mateo	Carole Groom
Humboldt	Mark Lovelace	Santa Barbara	Joni Gray (audio)
Imperial	Gary Wyatt	Santa Clara	Liz Kniss (audio)
Inyo	Susan Cash	Santa Cruz	absent
Kern	absent	Shasta	absent
Kings	Doug Verboon	Sierra	Lee Adams
Lake	absent	Siskiyou	Jim Cook (audio)
Lassen	Jim Chapman	Solano	Mike Reagan
Los Angeles	absent	Sonoma	Valerie Brown
Madera	Frank Bigelow (audio)	Stanislaus	Vito Chiesa
Marin	Judy Arnold (audio)	Sutter	absent
Mariposa	absent	Tehama	Robert Williams
Mendocino	Carre Brown	Trinity	absent
Merced	Hub Walsh (audio)	Tulare	Steve Worthley
Modoc	absent	Tuolumne	Richard Pland (audio)
Mono	Hap Hazard	Ventura	Kathy Long
Monterey	Fernando Armenta (audio)	Yolo	McGowan/Provenza
Napa	Brad Wagenknecht	Yuba	Roger Abe
Nevada	Ted Owens	Advisor:	Charles McKee
Orange	John Moorlach (audio)		

The presence of a quorum was noted.

2. APPROVAL OF MINUTES

The minutes of May 31, 2012 were approved as previously mailed.

3. CONSIDERATION OF NOVEMBER 2012 BALLOT INITIATIVES

**Proposition 30.** This is Governor Brown's measure that is jointly sponsored by the California Federation of Teachers which would increase personal income tax on annual earning over \$250,000 for seven years and increase sales and use tax by ¼ cent for four years. It also provides guaranteed funding for public safety services realigned from the state to local governments.

Three CSAC policy committees – Administration of Justice, Government Finance and Operations, and Health & Human Services – each recommended a 'Support' position on Proposition 30. The CSAC Executive Committee also considered this measure and is recommending that the Board of Directors adopt a 'support' position.

Motion and second to Support Proposition 30. Motion carried (30 votes in favor).

**Proposition 31.** This measure, sponsored by California Forward, establishes a two-year budget cycle and prohibits the Legislature from creating expenditures of more than \$25 million unless offsetting revenues or spending cuts are identified. It would also permit the Governor to make budget cuts unilaterally during declared fiscal emergencies if Legislature fails to act.

Sunne Wright McPeak, President & CEO of California Emerging Technology Fund spoke in favor of the initiative and Tom Adams from the League of Conservation Voters spoke against it.

Both the CSAC Government Finance & Operations policy committee and the Executive Committee considered this measure and are recommending that the Board of Directors adopt a 'support' position.

Motion and second to Support Proposition 31. Motion failed (28 votes in favor).

4. CSAC HIGH SPEED RAIL WORKING GROUP RECOMMENDATIONS

The CSAC Board of Directors established a Task Force on High-Speed Rail under the purview of the CSAC Housing, Land Use & Transportation Committee to review CSAC's position on High Speed Rail (HSR). In light of the Governor's recent signing of SB 1029, the bill that appropriates state and federal funds to begin construction of the initial operating segment through the Central Valley, the Task Force focused on issues related to implementation of the California HSR project.

Staff presented draft policies and priority issues as contained in the briefing materials. They address the following areas:

- Openness, Transparency & Accountability
- Robust Environmental Review
- Public Comment
- Conflicts with General Plans & Other Local Plans
- Direct and Indirect Economic Impacts
- Mitigation of Local Impacts
- Ongoing Funding for Capital, Operations & Maintenance

The CSAC Executive Committee considered the draft policies at its recent meeting and recommended that the Board of Directors approve the committee recommendations.

Motion and second to approve the CSAC Policies & Priority Issues for Implementation of the California High-Speed Rail Project as presented. Motion carried (1 no vote).

5. APPOINTMENT OF MEMBER TO CSCDA BOARD

Steve Keil recently resigned his position as a member of the California Statewide Communities Development Authority (CSCDA). Therefore, the CSAC Board of Directors was asked to approve the appointment of a replacement member. CSCDA staff requested that Dan Mierzwa, Treasurer-Tax Collector of Yuba County, be appointed to the position.

Motion and second to appoint Dan Mierzwa to serve on the CSCDA Board. Motion carried unanimously.

6. CSAC FINANCE CORPORATION REPORT

Nancy Parrish reported that the CSAC Finance Corporation will hold its fall Board meeting next week in San Diego. An agenda for that meeting was contained in the briefing materials.

The Finance Corporation recently issued an RFP for a program to offer more affordable healthcare options for Medicare eligible county retirees. By partnering with a provider who offers one or more individual plans, the CSAC Finance Corporation seeks to offer significant savings to employers and/or retirees.

7. STATE BUDGET AND LEGISLATIVE UPDATE

Staff reported that AB 1098 was amended on August 30, to reallocate Vehicle License Fee (VLF) revenues to recently incorporated cities and to cities that recently annexed inhabited territory. Specifically, this bill restores funding that these cities would have received under the law prior to the enactment of SB 89 in 2011, which dedicated these and other VLF revenues to 2011 Realignment. There are four newly incorporated cities, all in Riverside County, and over 100 cities with annexations that would qualify for this relief. This situation has created a great deal of fiscal uncertainty for these cities. CSAC opposed an earlier version of the bill, but was prepared to withdraw opposition if amendments were accepted to limit the scope of the bill to the four original cities. However, the bill is now before the Governor without CSAC's proposed amendments. Supervisor Benoit requested that the Board take action to support the bill, or at least remain neutral.

Motion and second to add consideration of AB 1098 to the Board agenda as an urgency item. Motion failed (14 in favor/15 opposed).

Given the potential future impact to realignment and the difficulty involved in securing a legislative remedy after the fact, CSAC will request that Governor Brown veto AB 1098, but include a strong commitment and interest in working with the Administration and Legislature to co-sponsor a solution that does not implicate realignment revenues to assist the four newly incorporated cities in Riverside County and those cities that have recently annexed property that lost VLF funding.

Staff reported that the State Department of Finance has formed a unit to deal with the dissolution of redevelopment agencies. It is being run by Steve Szalay, former CSAC Executive Director. CSAC is working with the county auditor-controllers to develop a list of concerns that can be presented to the Department of Finance.

Staff reported that the Legislature passed pension reform and workers compensation reform legislative packages during the final days of the legislative session. Highlights of the pension reform package include: As of January 1, 2013, new employees have a cap on income that can be used to calculate retirement; all new employees in the miscellaneous classification will receive a 2% at 62 benefit formula with a full benefit of 2.5% at 67 and a minimum retirement age of 52; formula for new safety members provides a lower benefit at 55 years of age; requires new employees to have an initial contribution rate of at least 50% of the normal cost rate; and final compensation will be calculated on average 3-year salary.

Questions were raised pertaining to the type of retirement plan offered to CSAC employees. Staff explained that CSAC participates in the San Bernardino County Employees' Retirement Association (SBCERA) plan, which is a 1937 Act system. Staff was directed to gather information regarding employee share of retirement costs and history of CSAC's participation in the SBCERA system.

8. UPDATE ON RESIGNATION OF PAUL McINTOSH AND EXECUTIVE DIRECTOR RECRUITMENT

Paul McIntosh is currently on leave and will resign effective December 31, 2012. CSAC is currently undertaking a recruitment for a new executive director and Roberts Consulting Group has been retained to conduct the recruitment. The final filing date is September 28 and interviews will take place in October.

9. INFORMATION ITEMS

The CSAC Institute for Excellence in County Government is developing a new Master of Public Administration program modeled after a similar program currently offered at Golden Gate University. The Institute is looking to partner with UC Berkeley, USC, Golden Gate University or UC Northridge. It will be a twelve to eighteen month program offered only to senior county executives and elected officials.

Reports on the CSAC Corporate Membership program, the Institute for Local Government, CCS Partnership and the CSAC Litigation Coordination program were contained in the briefing materials, but no presentations were given.

Meeting adjourned.





## **CSAC 118<sup>th</sup> Annual Meeting**

### **Administration of Justice Policy Committee**

**Tuesday, November 27, 2012 ■ 2:30 – 4:30 p.m.**

**Room 104A ■ Long Beach Convention Center**

**300 E. Ocean Blvd. ■ Long Beach ■ Los Angeles County, California**

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### **Supervisor Federal Glover, Contra Costa County, Chair Supervisor Merita Callaway, Calaveras County, Vice-Chair**

- 2:30 p.m.     **I. Welcome and Introductions**  
*Supervisor Federal Glover, Contra Costa County*
- 2:35            **II. 2011 Realignment: A Year of Reflection and Planning for the Future in a Constitutionally Protected World**  
*Curtis J. Hill, Legislative Representative, California State Sheriffs' Association; Representative, Chief Probation Officers of California*
- 3:10            **III. Kern County Resolution on AB 109 Impacts and Allocation**  
*Supervisor Mike Maggard, Kern County*
- 3:20            **IV. Role of the Board of State and Community Corrections in 2011 Criminal Justice Realignment**  
*Patricia Mazzilli, Executive Director, Board of State and Community Corrections (BSCC)*
- 3:35            **V. Supporting Counties' Criminal Justice Realignment Efforts**  
*Sharon Aungst, Director, California Forward's Partnership for Community Excellence (PCE); Kathy Jett, Policy Consultant, PCE*
- 3:55            **VI. Update on State Criminal Alien Assistance Program**  
*Joe Krahn, Waterman and Associates*
- 4:10            **VII. 2012-13 Budget and 2012 Legislative Wrap-Up/What is on Horizon in 2013?**  
*Elizabeth Howard Espinosa, CSAC Senior Legislative Representative*
- 4:20            **VIII. Bi-Annual Review of CSAC Administration of Justice Policy Platform – POTENTIAL ACTION ITEM**  
*Elizabeth Howard Espinosa, CSAC Senior Legislative Representative*
- 4:30            **IX. Closing Remarks and Adjournment**  
*Supervisor Federal Glover, Contra Costa County*



## **Agriculture and Natural Resources Policy Committee**

**Tuesday, November 27, 2012 • 10:00 a.m. – 12:00 p.m.  
Room 104 A, Long Beach Convention Center - 300 E. Ocean Blvd.**

### **AGENDA**

Supervisor, Richard Forster, Amador County, Chair  
Supervisor Kim Vann, Colusa County, Vice-Chair

- |                   |  |
|-------------------|--|
| 10:00 a.m.        | <b>I. Welcome and Introductions</b><br><i>Supervisor Richard Forster, Amador County, Chair</i>   |
| 10:05 – 10:25     | <b>II. California's Flood Future: Recommendations for Managing The State's Flood Risk</b><br><i>Chris Stone, Los Angeles Public Works, CEAC Flood Control and Water Resources Policy Committee Chair</i><br><i>Gary Bardini, DWR Deputy Director for Integrated Water Management</i>                               |
| 10:25 - 10:45     | <b>III. The Future of Waste Management</b><br><i>Pat Proano, Los Angeles County, Assistant Deputy Director, Environmental Programs, CEAC Conversion Technology Working Group Chair</i>   |
| 10:45 - 11:00     | <b>IV. CA Solar Permit Streamlining Guide and Model Ordinance</b><br><i>Tim Snellings, Development Services Director, Butte County</i>   |
| 11:00 – 11:15     | <b>V. Onsite Wastewater Treatment Systems (AB 885) Update</b><br><i>Richard Sanchez, CCDEH President, Orange County</i>  |
| 11:15- 12:00 p.m. | <b>VI. California Environmental Health Screening Tool (CalEnviroScreen Tool) Overview</b><br><i>Miriam Barcellona Ingenito, Deputy Secretary for Environmental Policy and Community Programs, Cal EPA</i><br><i>Allan Hirsch, Chief Deputy Director, Office of Environmental Health Hazard Assessment, Cal EPA</i> |
| 12:00 p.m.        | <b>VII. Closing Comments &amp; Adjournment</b>   |

**INFORMATIONAL ITEMS:** *The following reports are prepared as informational materials, but no presentation is planned. The CSAC ANR Policy Committee will take up the ANR Policy Platform Update at its meeting after the New Year.*

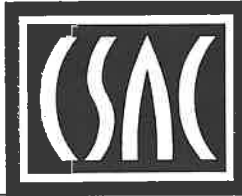
- VIII. County Platform UPDATE: Suggested Changes**
- IX. 2012 Legislative Wrap-Up**



**Government Finance and Operations Policy Committee**  
**CSAC Annual Meeting**  
**Tuesday, November 27, 2012 — 10 a.m. till Noon**  
**Long Beach Convention Center, Room 104 B**  
**Los Angeles County, California**

**Supervisor Bruce Gibson, San Luis Obispo County, Chair**  
**Supervisor John Moorlach, Orange County, Vice Chair**

- 10 a.m.     **I. Welcome and Introductions**  
*Supervisor Bruce Gibson, San Luis Obispo County, Chair*  
*Supervisor John Moorlach, Orange County, Vice Chair*
- 10:05     **II. Introducing GO-Biz**  
*Kish Rajan, Director, Governor's Office of Business and Economic Development*
- 10:20     **III. Pension Reform Implementation**  
*Eraina Ortega, Legislative Representative, CSAC*  
*Faith Conley, Senior Legislative Representative, CSAC*
- 10:40     **IV. Workers' Compensation Reform Update**  
*Eraina Ortega, Legislative Representative, CSAC*  
*Faith Conley, Senior Legislative Analyst, CSAC*
- 11:00     **V. California's Fiscal Forecast**  
*Marianne O'Malley, Director of General Government, Legislative Analyst's Office*  
*Brian Uhler, Local Government Issues, Legislative Analyst's Office*
- 11:30     **VI. Revenue and Taxation Issues for 2013**  
*Jean Kinney Hurst, Senior Legislative Representative, CSAC*  
*Geoffrey Neill, Senior Legislative Analyst, CSAC*
- 11:45     **VII. Recently Complications to the Property Tax**  
*Jean Kinney Hurst, Senior Legislative Representative, CSAC*  
*Geoffrey Neill, Senior Legislative Analyst, CSAC*
- 11:55     **VIII. Policy Platform**  
*CSAC Staff*
- Noon     **IX. Closing Comments and Adjournment**  
*Supervisor Bruce Gibson, San Luis Obispo County, Chair*  
*Supervisor John Moorlach, Orange County, Vice Chair*



**Health and Human Services Policy Committee**  
**Wednesday, November 28, 2012 · 2:00 – 4:00 p.m.**  
**Room 104A · Long Beach Convention Center**  
**300 E. Ocean Boulevard, Long Beach, CA 90802**

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**Supervisor Liz Kniss, Santa Clara County, Chair**  
**Supervisor Terry Woodrow, Alpine County, Vice Chair**

- 2:00 p.m.      **I.      Welcome and Introductions**  
*Supervisor Liz Kniss, Santa Clara County*
- 2:05 – 2:30    **II.     Covered California: News from the Health Benefit Exchange**  
*David Panush, Director, Government Relations, California Health Benefit Exchange*
- 2:30 – 3:00    **III.    Medi-Cal in a Changing World**  
*Toby Douglas, Director, California Department of Health Care Services (via videoconference)*
- 3:00 – 3:30    **IV.    Special Session on Health Care Reform Implementation in California**  
*Marjorie Schwartz, Consultant, Assembly Health Committee*  
*Cathy Senderling McDonald, Deputy Executive Director, County Welfare Directors Association*  
*Sarah Muller, Director of Government Affairs and Communications, California Association of Public Hospitals and Health Systems*
- 3:30 – 3:55    **V.     Phase Two Realignment?**  
*Kelly Brooks-Lindsey, CSAC Senior Legislative Representative*
- 3:55 – 4:00    **VI.    Health Platform & Human Services Platform: Initial Review**  
*Farrah McDaid Ting, Senior Legislative Analyst*
- 4:00            **VII.   Adjourn**  
*Supervisor Liz Kniss, Santa Clara County*



**Housing, Land Use, & Transportation Policy Committee**  
**118<sup>th</sup> CSAC Annual Meeting**  
**Wednesday, November 28, 2012 · 10:00 a.m. – 12:00 p.m.**  
**104 A · Long Beach Convention Center**  
**Los Angeles County, California**

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**AGENDA**

Supervisor Efren Carrillo, Sonoma County, Chair  
Supervisor Matt Rexroad, Yolo County, Vice Chair

- 10:00 a.m. I. **Welcome, Introductions, and Opening Remarks**  
*Supervisor Efren Carrillo, Sonoma County, Chair*  
*Supervisor Matt Rexroad, Yolo County, Vice Chair*
- 10:05 a.m. II. **CEQA Regulatory Reform**  
*Senator Mike Rubio, Chair, Senate Environmental Quality Committee (invited)*
- 10:35 a.m. III. **State Housing Policy, Planning, and Programs**  
*Linn Warren, Director, California Department of Housing & Community Development*  
*Lisa Bates, Deputy Director of Housing Policy, California Department of Housing & Community Development*
- 11:05 a.m. IV. **High Speed Rail Update**  
*Melissa White, Chief, External Affairs, High-Speed Rail Authority*
- 11:15 a.m. V. **State and Federal Native American Affairs Update**  
*Bruce Goldstein, County Counsel, Sonoma County*  
Attachment One: Press Release: Governor Approves Off-Reservation Gaming  
Attachment Two: CSAC Letter to Governor Brown on Off-Reservation Gaming
- 11:30 a.m. VI. **MAP 21 Update**  
*Kiana Buss, CSAC Senior Legislative Analyst*
- 11:45 a.m. VII. **Platform Update & 2013-14 HLT Priorities**  
*DeAnn Baker, CSAC Senior Legislative Representative*  
*Kiana Buss, CSAC Senior Legislative Analyst*  
Attachment Three: 2013-14 HLT Priorities  
Attachment Four: Draft Planning, Land Use, and Housing Chapter  
Attachment Five: Draft Transportation and Public Works Chapter  
Attachment Six: Draft Native American Issues Chapter  
Attachment Seven: Draft Climate Change Chapter
- 11:50 a.m. VIII. **Other Items & Adjournment**  
*Supervisor Efren Carrillo, Sonoma County, Chair*



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Sacramento  
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95814

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916.441.5507

Date: November 5, 2012  
To: CSAC Board of Directors  
From: Steve Keil, Interim Executive Director  
Re: Latino Caucus of California Counties

**Recommendation:** Both I and President Mike McGowan recommend that the Board of Directors approve affiliate member status for the newly formed Latino Caucus of California Counties.

**Background:** Supervisor Phil Serna of Sacramento County is working with other County Officials to organize a Latino Caucus of California Counties. That group will hold an organizational meeting on Wednesday, November 28, 2012 between 7:00 am and 8:00 am during the CSAC Annual Meeting to determine if there is sufficient interest to proceed with development of this organization. If sufficient interest exists, we have agreed to recommend to the Board of Directors at its meeting on Thursday, November 29, that CSAC approve affiliate members status for the newly formed organization.

The draft Statement of Purpose of this organization is to:

1. "Encourage full participation and active involvement of Latino county officials in the policy-making processes and programs of the California State Association of Counties (CSAC).
2. Identify issues and concerns important to counties' Latino populations and develop solutions, including legislative intervention.
3. Promote diversity and inclusiveness in governmental decision-making processes.
4. Nurture leadership development within and among groups that reflect California's changing demographics.
5. Be a resource to CSAC and its members, possibly as a nonprofit mutual benefit corporation, in such areas as policy development, implementation and service delivery.
6. Operate in accordance with the CSAC Constitution, as well as the policies adopted by CSAC's Board of Directors and take no action that conflicts with the organization's constitution or its policies."

It is the intention of organizers of this organization to meet at least once annually in conjunction with the CSAC Annual Meeting.

It is our belief that if sufficient interest is demonstrated to proceed with the Latino Caucus of California Counties it would serve as a valuable asset to County Officials and we recommend that it be granted affiliate status.

cc Supervisor Phil Serna



CALIFORNIA STATE ASSOCIATION OF COUNTIES  
FINANCE CORPORATION

November 13, 2012

**To:** CSAC Board of Directors  
**From:** Nancy Parrish, Executive Director, CSAC Finance Corporation  
**RE:** Appointment of Alternate Commissioner to CSCDA – **Action Item**

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**Recommendation:** Appoint Ron Holly, Chief Deputy Auditor-Controller of Monterey County, as an alternate member to the California Statewide Communities Development Authority Board of Commissioners.

**Background:** Per the Joint Powers Agreement (JPA) of the California Statewide Communities Development Authority (CSCDA), the CSAC Board may appoint commissioners and alternate commissioners to the CSCDA Board of Commissioners:

*Each of CSAC and LCC may appoint an alternate member of the Commission for each member of the Commission which it appoints. Such alternate member may act as a member of the Commission in place of and during the absence or disability of such regularly appointed member. All references in this Agreement to any member of the Commission shall be deemed to refer to and include the applicable alternate member when so acting in place of a regularly appointed member.*

The alternate position was previously held by Dan Mierzwa, Treasurer-Tax Collector of Yuba County, but the position is now vacant as he was moved to a regular commissioner status at the last meeting of the CSAC Board of Directors.

**Action Requested:** Staff is requesting that the Board of Directors consider and appoint Ron Holly, Chief Deputy Auditor-Controller of Monterey County, as an alternate CSCDA Commissioner.

**Staff Contact:** Please contact Nancy Parrish at [nparrish@counties.org](mailto:nparrish@counties.org) or 916.650.8120 or Laura Labanieh Campbell at [labanieh@counties.org](mailto:labanieh@counties.org) or 916.650.8186 with your questions.



November 14, 2012

To: CSAC Board of Directors

From: Matt Cate, Executive Director

Re: **Pension Reform Update: CSAC Compliance with State Law – ACTION ITEM**

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California  
95814

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Facsimile  
916.441.5507

**Recommendation:** Staff recommends that the Board of Directors 1) approve changes to CSAC's pension plan consistent with 2012 pension reform and 2) adopt a resolution approving the establishment of the CSAC Replacement Benefit Plan as required by current law.

**Background.** The Legislature passed and the Governor signed AB 340 (Furutani) and AB 197 (Buchanan), two bills to enact the California Public Employees' Pension Reform Act of 2013. AB 340 makes several changes to the pension benefits that may be offered to employees hired on or after January 1, 2013, including, setting a new maximum benefit, a lower-cost pension formula with requirements to work longer in order to reach full retirement age and a cap on the amount used to calculate a pension. Among other things, AB 340 also requires new employees to pay 50 percent of normal pension costs<sup>1</sup>, enacts pension spiking reform for new and existing employees, requires 3-year averaging of final compensation for new employees, and provides counties and other employers that participate in the 1937 Act retirement systems with new authority to negotiate cost-sharing agreements with current employees. AB 340 also contains limitations on the use of retired annuitants, requiring that an annuitant have a six month break in service prior to returning to work. These changes apply to almost all public employees and most public pension systems<sup>2</sup>, including CSAC as a district participating in the San Bernardino County Employees' Retirement Association (SBCERA).

AB 340 also includes explicit recognition of the federal contribution and benefit limits that affect both current and future employees in tax qualified plans. Among other restrictions, the Internal Revenue Service (IRS) imposes two caps on retirement benefits pursuant to Internal Revenue Code (IRC) sections 401 (a) (17) and 415 (b). IRC 401 (a) (17) limits the amount of annual compensation that

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<sup>1</sup> Normal costs of pensions means the portion of the present value of projected benefits under the defined benefit that is attributable to the current year of service.

<sup>2</sup> PEPRA does not apply to the University of California Retirement System or charter city pension systems not governed by state law.



may be taken into account for determining retirement benefits paid by a pension plan whether or not a person is a new employee under AB 340. IRC 415 (b) limits the maximum annual benefit a member can receive from a tax qualified pension plan.

In order to comply with the provisions of AB 340, CSAC staff is required to make the following changes to the pension plan:

- Place all new employees<sup>3</sup> in the new 2 @ 62 pension formula with a cap on pensionable income and require the new employee to pay 50 percent of normal costs, with no offset from CSAC.
- Calculate final compensation for new employees based on the highest average annual pensionable compensation earned during a period of at least three years and calculate pensionable income under the definition for new employees to eliminate spiking.
- For new employees, cap the amount of compensation used to determine benefits at 120 percent of the social security wage base.<sup>4</sup>
- Freeze participation in any supplemental defined benefit plans to current employees who are in a group covered by the plan at the end of 2012.
- Freeze participation in any replacement benefit plan for future retirees who may be affected by the IRC 415 (b) limit to current employees who are in a group covered by the plan at the end of 2012.
- Review pensionable compensation calculations for current employees who retire on or after January 1, 2013 to ensure that the items included in the retiree's final compensation are consistent with the changes made in AB 197, the companion bill to AB 340.

In addition to these requirements, AB 340 sets as a goal, 50 percent cost sharing of normal pension costs between employers and employees. For counties and other employers in 1937 Act systems, such as CSAC, AB 340 authorizes, but does not require, a county to negotiate, and impose if necessary, 50 percent of the normal cost on its *current* employees up to a specified limit.

### **Policy Considerations.**

While the majority of pension reform changes apply only to new employees, as defined, there are two important issues to consider related to current employees.

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<sup>3</sup> A new employee is one who is elected or appointed on or after January 1, 2013 and who was not previously employed by any other public agency prior to that date or one who is a member of a public retirement system prior to January 1, 2013, but is not subject to reciprocity.

<sup>4</sup> Compensation for determining benefits for current employees continues to be set by the IRC 401 (a) (17) limit.

The Board will recall that CSAC pays the employee pension contribution for its current employees, an amount that varies by age of entry into the pension system, and is on average 8 percent per employee. AB 340 prohibits CSAC from paying this contribution for new employees and sets as a goal that current employees pay at least 50 percent of the normal pension costs by 2018. Current estimates put the normal cost for CSAC's pension plan at an average of 10.66 percent. In order to reach the cost sharing goal in AB 340, CSAC's Executive Director will develop a plan to require that current employees pay the employee contribution in future years. CSAC staff will consult with an attorney and SBCERA regarding how to correctly modify the contributions in order to allow that they be deducted from employees on the appropriate tax basis. The Executive Director will provide updates to the Executive Committee regarding the progress of the pension reform implementation plan.

The second issue affecting current employees requires action before the end of the calendar year. IRC 415 (b) limits the maximum annual benefit a member can receive from a pension plan. Current law (Government Code section 31899.4) requires CSAC, as a district participating in SBCERA, to establish a replacement benefit plan (RBP) that pays retirees the difference between their actual calculated pension and the 415 (b) cap. AB 340 requires that any RBP be in place by December 31, 2012. SBCERA has notified CSAC staff that a RBP has not been established for CSAC retirees. This is likely because no past CSAC retiree has been affected by the limit.

To our knowledge, every county in a 1937 Act retirement system has adopted a RBP. Every CalPERS county participates in an RBP that has been established by CalPERS.

Establishment of the RBP allows CSAC to "make whole" those limited number of retirees whose pensions may exceed the limit. There is limited cost to CSAC to provide the RBP because the benefit itself is already funded by advance contributions to SBCERA.<sup>5</sup> When a benefit is due under a RBP, SBCERA reduces the contribution required of CSAC by the amount of that benefit. This is effectively a "true up" by SBCERA of prior contributions. The costs to administer the benefit will likely be diminimus given the small number of individuals who are likely to receive the replacement benefit.

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<sup>5</sup> SBCERA requires that CSAC and every other district contribute to SBCERA without regard to the 415 limits. SBCERA does this because it is difficult to forecast future 415 limits and how they will affect any employee. Therefore, as a matter of caution, SBCERA requires full contributions for all members.

An example of how the RBP works using 2012 estimates follows. If an individual retires at age 55 and his or her calculated pension benefit is \$145,000, without applying the 415 limit, the 415 (b) limit caps the amount SBCERA can pay at \$120,878. With a RBP in place, SBCERA's actuary will identify the individual and SBCERA will notify CSAC of the amount of the 415 cap and what would be paid without the cap. When CSAC pays the difference (about \$24,000 in this case) then SBCERA will reduce the amount of CSAC's contribution by this amount. CSAC will report the payment to the IRS.

When and exactly how many employees might be subject to the limit depends on several factors, which will change over time, including: the limit set by the Congress, the retirees' final compensation, age at retirement, years of service, marital status and benefit elected from SBCERA, and the rate of inflation. For example, an individual with a limited number of years of service in SBCERA and with reciprocal systems might not be affected by the limit because while the retiree's final compensation could be over the cap, his or her years of service would not result in an SBCERA payout over the limit. However, an individual with the same level of compensation and a long career at CSAC would be affected.

AB 340 prohibits CSAC from establishing a RBP for any employee hired on or after January 1, 2013 or adding any additional employees to an existing RBP. If approved, the CSAC RBP would only be available to the limited number of CSAC employees whose years of service or other factors consistent with AB 340 would result in a payment from SBCERA above the cap.

**Action Requested.** Staff recommends that the Board of Directors approve the proposed changes to the CSAC pension plan and adopt a resolution approving the establishment of the CSAC Replacement Benefit Plan as required by Government Code section 31899.4. Attached is the adopting resolution formalizing the establishment of the plan and authorizing staff to execute and deliver all documents necessary to establish the plan.

**Staff Contact.** Please contact Eraina Ortega ([eortega@counties.org](mailto:eortega@counties.org) or 916/327-7500 ext. 521) or Kelli Oropeza ([koropeza@counties.org](mailto:koropeza@counties.org) or 916/327-7500 ext. 544) for additional information.

**Materials.** Proposed resolution.

## **RESOLUTION OF THE BOARD OF DIRECTORS**

### **California State Association of Counties Adoption of Replacement Benefits Plan**

WHEREAS, the Board of Directors of the California State Association of Counties (CSAC) is a participating employer in the San Bernardino County Employees' Retirement Association (SBCERA); and retirement benefits are provided to employees of CSAC by SBCERA; and

WHEREAS, SBCERA is a tax qualified retirement plan under Internal Revenue Code ("Code") Section 401 (a) and is a governmental plan as defined in Internal Revenue Code section 414 (d); and

WHEREAS, the amount of benefits that can be provided to SBCERA members is limited by Section 415(b) of the Code, and

WHEREAS, Government Code section 31899.4 requires, and Internal Revenue Code section 415 (m) allows CSAC to provide a program to replace the benefits that are limited by Internal Revenue Code section 415; and

WHEREAS, Government Code section 7522.43 allows CSAC to maintain a plan of replacement benefits for employees who are not "new employees" under the Public Employees' Pension Reform Act, if CSAC adopts a replacement benefits plan before 2013; and

WHEREAS, to comply with both Government Code section 31899.4 and 7522.43 CSAC must adopt a replacement benefits plan no later than December 31, 2012,

NOW THEREFORE BE IT RESOLVED, that the Board of Directors of CSAC hereby establishes the Replacement Benefits Plan for the Employees of the California State Association of Counties, and that this plan is ratified, approved, and adopted;

FURTHER BE IT RESOLVED, that the Executive Director of CSAC is authorized, empowered, and directed to execute and deliver all documents necessary and appropriate to establish the Replacement Benefits Plan for the Employees of the California State Association of Counties and take the necessary, proper, or advisable actions in order to carry out the purposes and intent of the foregoing resolution including but not limited to entering into a memorandum of understanding with the San Bernardino County Employees' Retirement Association for determining the amount of benefits paid under this plan and the adjustment of contributions to the Association by CSAC on account of the payment of such benefits.

Duly adopted this 29th day of November, 2012.

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Mike McGowan, President

## **RESOLUTION OF THE BOARD OF DIRECTORS**

### **County Supervisors Association of California Doing business as the California State Association of Counties**

WHEREAS, the Board of Directors of the California State Association of Counties (CSAC) employs an executive director and other staff to perform its day-to-day business; and

WHEREAS, the Board desires the business of the association to be transacted in an efficient and appropriate manner; and

WHEREAS, from time to time the Executive Director and Secretary of the Corporation must sign or approve documents on behalf of the Board;

NOW THEREFORE BE IT RESOLVED, that the Board of Directors of CSAC hereby authorizes the Executive Director and Secretary of the Corporation, and his designees on staff, to execute and approve bank and other documents as authorized by the Board of Directors or the Executive Committee.

FURTHER BE IT RESOLVED, that this resolution shall remain in effect until the 2013 annual meeting of CSAC, when a similar resolution will be executed by the newly constituted Board of Directors.

Duly adopted this 29<sup>th</sup> day of November, 2012.

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Mike McGowan, President

## **CSAC Board of Directors 2013 Schedule of Meetings**

### **February 21**

10:00am – 1:30pm, CSAC Conference Center  
1020 11<sup>th</sup> Street, 2<sup>nd</sup> Floor, Sacramento, CA 95814

### **May 30**

12:00pm – 3:00pm, CSAC Conference Center  
1020 11<sup>th</sup> Street, 2<sup>nd</sup> Floor, Sacramento, CA 95814

### **September 5**

10:00am – 1:30pm, CSAC Conference Center  
1020 11<sup>th</sup> Street, 2<sup>nd</sup> Floor, Sacramento, CA 95814

### **November 21**

2:00pm – 4:00pm, Santa Clara County  
San Jose Marriott Hotel  
301 South Market Street • San Jose, California 95113

# Winter/Spring 2013 Course Schedule



*Knowledge will forever govern ignorance; and a people who mean to be their own governors must arm themselves with the power which knowledge gives. — James Madison*

## LEADERSHIP PRACTICES

### 111 The Art & Practice of Elected Leadership

Leadership is a term you hear a lot, but as an elected official, how do you practice leadership? How do you exercise leadership when there are so many others involved in the decision-making process? This course examines the role and practice of leadership for elected officials. It considers the dilemmas facing elected officials in balancing authority and leadership, decision-making and public involvement, and assessing the consequences of political action. The course highlights the challenge of shared leadership with fellow board members and elected officials. Discussion examines the role of leadership in change and helping others manage loss. Participants explore the meaning of county stewardship and harmonizing position advocacy with achievement of goals for the community.

**Instructor:** Dr. Rich Callahan is associate professor of management at the University of San Francisco. He brings a rich history and practical experience in working with local governments and elected officials in leadership practices.

**Friday, January 11, 2013** 10:00 a.m. – 3:30 p.m.  
Sacramento • \$75/person for counties • 3 credits • Board/elected officials

### 112 Getting Things Done: Working Effectively to Achieve Objectives

To get things done you work with a range of county staff, elected officials and community members ... some of whom may not agree with your goals. What techniques and tools exist to help you pursue your objectives? This course examines practices that improve the likelihood of achieving desired objectives. It examines the elements which contribute to success, from interpersonal relations to building a system of monitoring and a culture of accountability. Participants look at themselves and the values that underlie ethical behavior and trustworthiness. Other components address coalition building, collaboration and setting expectations.

**Instructor:** David Landis is a former long-time Nebraska state senator, an award-winning teacher and a skilled negotiator in the public arena. He is a lecturer at the USC School of Public Policy.

**Friday, May 3, 2013** 10:00 a.m. – 3:30 p.m.  
Sacramento • \$75/person for counties • 3 credits • Board/Executives

### 351 Chairing and Managing Effective Public Meetings

Dread the thought of chairing – or attending – another meeting? Supervisors and executives spend a lot of resources at meetings. This class will help you make Board, public, staff or just about any meeting more constructive. Whether you are the chair or a participant this course will provide techniques and tips for making effective use of meetings: preparation, moving the agenda, engaging participants, managing distractions and dealing with difficult situations and people. Compliance with the



Brown Act and other laws is examined along with strategies to encourage public and participant participation yet avoid meetings which go on and on and on and on. Whether an experienced chair or a meeting novice, you will leave with practical tools to manage your meetings. **Eligible for MCLE credits.**

**Instructors:** Michael Colantuono, Esq. is a partner of Colantuono & Levin, PC and serves as legal counsel to local governments. Terry Amsler is the Director of the Institute for Local Government's Public Engagement program.

**Friday, April 26, 2013** 10:00 a.m. – 3:30 p.m.  
Sacramento • \$75/person for counties • 3 credits • Board/Executives

### 352 Making an Impression: Media Interviewing

Every opportunity to address a group or appear with the media is a chance to make an impression. *But what kind of impression?* This course, designed for seasoned professionals and elected officials, helps polish those interviews and presentations and strengthen delivery skills whether you are speaking to the media, at a board meeting or any public setting. The course covers practical



## Schedule at a Glance

### January

- 11 (F) 1.11 The Art & Practice of Elected Leadership
- 18 (F) 1.54 Stretching the County Dollar – Tools for Financing
- 24 (Th) 3.74 Service Excellence through Process Improvement
- 31 (Th) 3.31 Federal Health Care Reform and California Counties

### February

- 8 (F) 3.85 Preparing for the Single Audit
- 14 (Th) 3.31 Federal Health Care Reform and California Counties
- 21-22 1.10 New Supervisors Institute – Session II

### March

- 8 (F) 1.50 Local Government in California: *All those local agencies!*
- 14 (Th) 1.53 Labor Relations and Negotiations in Local Government
- 15 (F) 500 Institute Fellows Seminar 3
- 28 (Th) 1.51 Financing California Counties: A History of Funding Sources

### April

- 11 (Th) 1.10 New Supervisors Institute – Session III
- 12 (F) 307 Realignment 101: *How did we get it? Where does it go?*
- 19 (F) 3.56 Negotiations and Collaboration in Complex Environments
- 26 (F) 3.51 Chairing and Managing Effective Meetings

### May

- 3 (F) 1.12 Getting Things Done: Working Effectively to Achieve Objectives
- 9 (Th) 3.14 Economic Development and Opportunities for Counties
- 17 (F) 3.84 Advanced Practices in Negotiations
- 31 (F) 3.72 To Do or Not To Do: Leadership in Decision Making

### June

- 13 (Th) 3.52 Making an Impression: Media Interviewing Skills
- 27 (Th) 3.70 Performance Measurement: Accountability for Results



For more information and to register please visit: [www.csacinstitute.org](http://www.csacinstitute.org)

LEARN • GROW • ACHIEVE

## LEADERSHIP PRACTICES

strategies for planning, preparing and delivering interviews and presentations that get your message across and retained by the audience. Participants build their skills for impromptu interviews, including effective body language, stage presence and visual aids. Hands-on work includes practice labs, videos and constructive critiques from presentation professionals.

**Instructor:** Gregg Fishman is Public Information Officer for the California State Association of Counties and a former broadcast journalist.

**Thursday, June 13, 2013** 10:00 a.m.–3:30 p.m.  
Sacramento • \$75/person for counties • 3 credits • Board/Executives

### 356 Negotiations and Collaboration in Complex Environments

Negotiation is “a back and forth interaction among two or more people who wish to arrive at a mutually agreeable outcome where the parties have some interests in common and some that are opposed.” This definition from Fisher and Ury’s book *Getting to Yes* describes most “Public Good” negotiations. *Solution-Based Negotiation* teaches participants how to achieve the most beneficial outcomes for all negotiating parties while ensuring the outcomes are in the best interest of the public and that the negotiating parties’ relationships end positively. This course covers the most current tried and tested behaviors in the field of negotiation AND it gives you tools that will be immediately useful in your work. Best of all, it can help you serve your constituents in the best possible ways without needless “compromise.”

Participants learn to:

- ◆ Differentiate solution-based versus positional negotiation
- ◆ Explore a framework for defining “The Public Good”
- ◆ Surface assumptions and mental models of other parties
- ◆ Understand subtle, negative influencers in negotiations
- ◆ Use creativity to break stalemates

**Instructor:** Dr. Laree Kiely is president of the Kiely Group; organizational effectiveness consultants, and a professor at the USC Marshall School of Business.

**Friday, April 19, 2013** 10:00 a.m.–3:30 p.m.  
Sacramento • \$75/person for counties • 3 credits • Board/Executives

### 372 To Do or Not to Do: Leadership in Decision Making

Most of us have experienced decision-making as a one-step process—*just do it!* There is much more, however, to leadership in effective problem solving and decision-making. This best practice course examines how values and past experience guides one in perceiving facts when engaged in decision making and ways to apply problem solving and decision making techniques. The course introduces a step-by-step approach to problem solving and introduces participants to some handy decision making tools.

Objectives include:

- ◆ How to manage decisions vs. make them – a quantum leap in thinking
- ◆ Reframe your role as a manager and leader
- ◆ Give you new vocabulary to communicate clearly about decision-making

**Instructor:** Eric Douglas is president and founder of Leading Resources Inc. His book, *Leading at Light Speed* describes what leaders must do to build successful organizations.

**Friday, May 31, 2013** 10:00 a.m.–3:30 p.m.  
Sacramento • \$75/person for counties • 3 credits • Board/Executives

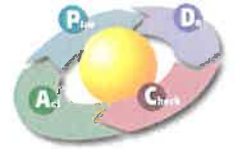
### 374 Service Excellence through Process Improvement

When counties look at creating efficiencies, process improvement is an important tool. It can help counties maximize value while removing wasteful activities and practices and at the same time improve service delivery – both to internal and external customers. Hear case examples of how Ventura County has significantly improved service quality and performance while at the same time reducing costs. This hands-on course engages senior executives in techniques to identify current processes and find opportunities to improve them and the delivery of the service. Tools are shared for both identifying process problems and engaging the process participants in crafting solutions. Participants apply the tools in simulations and explore how to use them in a process improvement opportunity at home. Objectives:

- ◆ Identify what a process is and define process improvement
- ◆ Understand and apply the plan-do-check-act cycle
- ◆ Know how and when to apply various improvement tools
- ◆ Create an improvement plan for a selected process.

**Instructors:** Elaine Crandall is the Ventura County Assistant CEO. Paul Stamper is manager of the Ventura County Service Excellence Program.

**Thursday, January 24, 2013** 10:00 a.m.–3:30 p.m.  
Sacramento • \$75/person for counties • 3 credits • Board/Executives



### 370 Performance Measurement and Management: Accountability for Results

Performance measurement is an emerging best practice in county organizations to better manage resources and explain to the community how county resources are used. Organizations such as California Forward emphasize the use of performance measures to encourage more effective use of public resources. This class provides an overview to performance measurement and its techniques to measure and share with community on what citizens are getting for their money. Discussion highlights the benefits and costs of performance measurement, how it can be of value to counties, how to design and implement a measurement system and the pitfalls to avoid. Objectives:

- ◆ Key elements in the design and implementation of a performance measurement system
- ◆ How to use a system to effectively monitor performance and use the results
- ◆ Practical application of the performance cycle.

**Thursday, June 27, 2013** 10:00 a.m.–3:30 p.m.  
Sacramento • \$75/person for counties • 3 credits • Board/Executives

### 384 Advanced Practices in Negotiation

This advanced course is designed to enhance and deepen the skills of those with negotiations experience. Whether applied in labor relations, conflict resolution, contracts, intergovernmental agreements and hundreds of other situations – this advanced course takes your negotiation practices to the next level. The class focuses on understanding and applying the 21st century framework for negotiation success even in very difficult situations and with very difficult people. Participants will explore and apply tools in typical negotiation challenges including scarce resources, rigid timeframes, emotionally charged issues, power struggles and multiple negotiators. Practical strategies and tools for difficult





people and complex situations will highlight the class discussions. Participants will have hands-on experience with advanced tools and how to develop their "going forward" plan in a variety of situations. **Note:** Participation in a previous basic negotiations course is a prerequisite.

**Instructor:** Dr. Laree Kiely is president of the Kiely Group; organizational effectiveness consultants, and a professor at the USC Marshall School of Business. She regularly appears on PBS in her management communications series.

**Thursday, May 17, 2013** 10:00 a.m.–3:30 p.m.  
Sacramento • \$75/person for counties • 3 credits • Board/Executives

## POLICY AND GOVERNANCE

### 150 Local Governance in California: All those local agencies!

**JPA-Special Districts-MPO-LAFCo-COG-Cities-CSA-MAC:** California has a complex system of providing state, federal and local services through local governments. It is often difficult to understand or explain the range of responsibilities counties have to provide often unrelated services, and how those differ or relate to other local agencies. This course provides an overview of local government structure and responsibilities in California. You'll learn the basics of all the local agencies and how they interrelate with county responsibilities. A brief history of



California governance is followed by a review of the roles and responsibilities of the state, cities, counties, special districts and an alphabet soup of other local agencies. Discussion focuses on the authority and responsibilities of the county as it relates to other agencies. Participants explore a county case study to better understand the interrelationships of all these local agencies.

#### Objectives

- ◆ Understand similarities and differences in responsibility and authority of local governments, including cities, counties, special districts and joint power authorities
- ◆ Examine role and county interaction with regional agencies such as LAFCo, regional transportation agencies, metropolitan planning organizations and council of governments
- ◆ Difference between countywide and municipal services

**Instructor:** Bill Chiat is Dean of the CSAC Institute and former Executive Director of the California Association of Local Agency Formation Commissions.

**Friday, March 8, 2013** 10:00 a.m.–3:30 p.m.  
Sacramento • \$75/person for counties • 3 credits • Board/Executives

### 151 Financing California Counties: A History of Funding Sources

Have you found yourself overwhelmed trying to understand the financial reports from county programs? Or worse yet, trying to explain county finances and revenues to your constituents? This course provides an in-depth examination of the federal, state and local county funding sources. Exploring the context of county funding decisions by Legislative over the last 30 years is critical in understanding the current state-county funding streams and revenue relationships. The class examines the history and consequences of major elements in county funding streams including:

- ☞ Proposition 13, 172, 1A
- ☞ VLF
- ☞ Realignment
- ☞ CalWORKS



- ☞ ERAF and more ERAF
- ☞ State Budget collapse

#### Objectives

- ◆ Understand the legislative context and history of major county funding streams
- ◆ Describe to constituents county revenues, and impacts of state and federal program cuts on county programs
- ◆ Discuss current issues related to state funding streams

**Instructor:** Diane Cummins is Special Advisor to the Governor on State and Local Realignment. For over 30 years she served in key Senate and gubernatorial advisory roles on budget and fiscal issues that shape the county-state financial relationship.

**Thursday, March 28, 2013** 10:00 a.m.–3:30 p.m.  
Sacramento • \$75/person for counties • 3 credits • Execs/Managers

### 153 Labor Relations and Negotiations in Local Government

The class examines the basics of labor relations in the county environment. Laws and regulations affecting public-sector labor relations in California are discussed along with techniques to negotiate takebacks and furloughs along with decision framework for such elements as labor relations policies, total employee cost, salary ranges, benefits and other issues to control costs while maintaining an effective and productive workforce. The class explores the board versus staff role in labor relations, negotiations, negotiating layoffs and furloughs, the cost impact of furloughs, and strategies for negotiating contract changes and limiting contract costs. It also highlights pitfalls to avoid in working with labor representatives. Techniques are examined for maintaining productive relationships with employee organizations during difficult times and discussions. Objectives:

Eligible for  
MCLE  
credits

- ◆ Examine policy-level applications of state laws that govern public-sector employees in California
- ◆ Understand roles of elected officials, staff and negotiators in the labor relations process, and how to avoid conflicts
- ◆ Examine use of closed door sessions for labor negotiations
- ◆ Discuss options when negotiations are unsuccessful.

**Instructors:** Richard Whitmore and Richard Bolanos are partners with Liebert Cassidy Whitmore and are experts in public sector labor relations and negotiations. Dr. Rhonda Albey is the principle analyst in the Los Angeles County Administrators Office human resources division.

**Thursday, March 14, 2013** 10:00 a.m.–3:30 p.m.  
Sacramento • \$75/person for counties • 3 credits • Board/Executives

### 154 Stretching the County Dollar: Tools for Financing

The world of financing California counties continues to change dramatically. Some traditional methods remain, others are less productive and new methods are becoming available. This class unravels mysteries of bonds, securitization, trans, notes, credit swaps, derivatives, pension obligation bonds and ARRA; examines where counties should be concerned; how markets and options changed; and what's in the future for county financing. Participants explore past and current options for financing projects and operations and their strengths and weaknesses in the current economy. Specific areas of interaction with rating agencies, private placements, and master lease agreements are discussed. The course culminates with emerging ways to address debt management. Instructors share best practices. Objectives:

**Please Note:** Class schedules and content may change. For current schedules and descriptions visit the Institute's web site at [www.csacdnstitute.org](http://www.csacdnstitute.org).

**POLICY AND GOVERNANCE**

- ◆ Understand the purposes of debt financing and questions to ask to determine if debt financing is right for the county
- ◆ Discuss the current options for financing projects or debt
- ◆ Describe the legal framework and fiduciary responsibilities for debt management
- ◆ Discuss new ways on the horizon for debt management

Presented by the CSAC Finance Corporation



**Friday, January 18, 2013** 10:00 a.m.–3:30 p.m.  
 Sacramento • \$75/person for counties • 3 credits • Board/Executives

**307 Realignment 101: How did we get it? Where does it go?**

You hear about realignment at every budget hearing. The formulas make your eyes glaze over yet you know it's critical in funding county safety net services. What is realignment, where did it come from and how does it work? This course examines the history and rationale for establishing it and why programs were included or added over the years. Participants examine the mechanics and what programs realignment funds today. Particularly challenging issues are addressed such as IHSS, mental health services, Prop. 53 care decisions, and California Children's Services. Building on an understanding of the 1991 realignment, the course then examines the 2011 realignment with an emphasis on the public safety and justice programs. Details on the realigned programs, changes to HHS and mental health services, implementation, funding and how counties are implementing the 2011 realignment are all discussed. The course concludes with an examination of the proposed and potential changes under consideration for realignment.

**Instructors:** Diane Cummins, special advisor to the Governor on state and local realignment; Graham Knaus, Placer County Budget & Finance Operations Manager.

**Friday, April 12, 2013** 10:00 a.m.–3:30 p.m.  
 Sacramento • \$75/person for counties • 3 credits • Board/Executives

**314 Economic Development and Opportunities for Counties**

Many counties have established or are considering an investment in economic development as a means to support and create jobs, expand and retain businesses and boost county revenues. At the same time, resources for economic development investment are severely limited, and the use of redevelopment is controversial. This policy-level course provides an overview of how counties can create policies and use economic development tools to stimulate their economies. Participants examine principles of economic development, policy questions to consider and financing methods for project planning and development. Discussion emphasizes economic development opportunities in rural counties as well as the continued phase out of redevelopment agencies. Objectives:

- ◆ Describe basic outcomes of economic development
- ◆ Weigh the strengths and weaknesses of an economic development plan
- ◆ Identify policy issues to consider in creating an economic development strategy for the county

**Instructor:** Gurbax Sahota is the executive director of the California Economic Development Association.

**Thursday, May 9, 2013** 10:00 a.m.–3:30 p.m.  
 Sacramento • \$75/person for counties • 3 credits • Board/Executives

**331 Federal Health Care Reform and California Counties**

As 2014 approaches counties must continue to prepare for implementation of the federal Patient Protection and Affordable Care Act is law. This course will provide a balanced, fact-based discussion of how federal health care reform is being implemented in California and its effect on county health, mental health and social services. Four key areas will focus the course: 1) case studies of the implementation and effects on county services and funding; 2) who is left uninsured and how to manage those populations; 3) what areas are left to be resolved and a look at the Legislature's special session on health care; and 4) upcoming decisions for counties. Discussion addresses specific county programs and funding and how those are changing as the law is implemented. Other issues examined include trends in how people are using their new insurance to seek health care, county responsibilities for the uninsured, potential impacts on realignment funding, and funding changes in the Governor's proposed 2013-14 budget.



**Instructors:** Lee Kemper is the Executive Director of the County Medical Services Program (CMSP) which provides health coverage for indigent adults in 34 California counties. Judith Reigel is executive director of the County Health Executives Association of California.

**TWO SESSIONS AVAILABLE**

**Thursday, January 31, 2013** 10:00 a.m.–3:30 p.m.  
 Sacramento • \$75/person for counties • 3 credits • Board/Executives

**Thursday, February 14, 2013** 10:00 a.m.–3:30 p.m.  
 Irvine • \$75/person for counties • 3 credits • Board/Executives

**385 Preparing for the Single Audit**

Counties receiving federal grants or subgrant funds are frequently subjected to audits of those funds. The audit could be a Single Audit conducted under the provisions of OMB Circular A 133, a specific program audit or an audit conducted by a government agency. This course is designed to assist the recipients of federal grants to be prepared for any type of grant fund audit. It focuses on designing and implementing internal controls, complying with federal regulations, preparing adequate documentation, and correcting prior audit findings. Participants examine common audit finding areas and how to avoid them, and how to best prepare for the audit and work with the auditors during the audit. *Eligible for 6 CPE credits for CPAs.*



**Instructor:** Sefton Boyars, CPA, CGFM, CFS from the California Certified Public Accountants (CalCPA) Education Foundation.

**Friday, February 8, 2013** 9:30 a.m.–3:30 p.m.  
 Sacramento • \$75/person for counties • 3 credits • Board/Executives

Visit [www.csacinstitute.org](http://www.csacinstitute.org) for information about becoming a  
 California Credentialed County Supervisor  
 California Credentialed County Senior Executive  
 Institute Fellow

UPDATED 8 November 2012



CALIFORNIA STATE ASSOCIATION OF COUNTIES  
**FINANCE CORPORATION**

November 13, 2012

**To:** CSAC Board of Directors  
**From:** Nancy Parrish, Executive Director, CSAC Finance Corporation  
**RE:** **Finance Corporation Program Update  
INFORMATION ITEM**

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**New Program Development**

**Medicare Eligible Retiree Healthcare**

On July 20<sup>th</sup> the CSAC Finance Corporation issued a request for proposals for a program to offer more affordable healthcare options for Medicare eligible county retirees. Proposals were submitted by five companies and reviewed by a committee of county officials. The committee has narrowed the selection down to two companies and will be conducting interviews in December.

**Onsite Employee Healthcare Facilities**

A proposal for onsite employee healthcare facilities has been distributed. We expect to begin the review process for proposals in January 2013.

**The following are highlights of existing CSAC Finance Corporation programs:**

**CalTRUST**

- CalTRUST currently has assets of approximately \$1.1 Billion.
- CalTRUST launched their education program in October with a webinar on short-term investing and a white paper on the fundamentals of Net Asset Value. The webinar was attended by 35 public agency officials. The webinar presentation and white paper can both be found under Resources at [www.caltrust.org](http://www.caltrust.org).

**California Communities (CSCDA)**

- In October, CSCDA implemented a stricter version of the recommendation from the State Auditor to restrict HB Capital from compensating staff on a commission basis.

**U.S. Communities**

- We are continually working with U.S. Communities staff to increase collaborative marketing efforts and effectively increase usage of the program by California Counties.

**Nationwide Retirement Solutions**

- NACo has signed a successor agreement with Nationwide that includes in a 50% reduction in revenue over the next five years. This will result in an approximately \$250,000 annual loss to the CSAC Finance Corporation. We will work with Nationwide to identify potential for additional collaboration.

**Coast2CoastRx**

- Our discount prescription drug card program with Coast2CoastRx is now offered in 26 counties; saving participants in California around \$3 million each month.

**General Information**

- The CSAC Finance Corporation held a roundtable at the Annual Meeting of the County Administrative Officers of California that was attended by 15 county administrative officers. We will continue to focus on additional opportunities for roundtable discussions.
- We continue to meet with individual counties and their department heads to present our programs and benefits. Please let us know if you would like a meeting set with your county's department heads.

If you have any questions regarding these or any other CSAC Finance Corporation programs please do not hesitate to contact us via phone, 916.650.8120, or via email, [nparrish@counties.org](mailto:nparrish@counties.org); Laura Labanieh Campbell at 916.650.8186 or [llabanieh@counties.org](mailto:llabanieh@counties.org).



**November 29, 2012**

**To:** CSAC Board of Directors  
**From:** John Samartzis, Director of Corporate Relations  
**RE:** **Corporate Membership & Sponsorship Update**

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**BACKGROUND:**

The Inaugural Innovation Summit is scheduled for Monday, November 26<sup>th</sup> just prior to the CSAC Annual Conference in November. The agenda includes panels on data & document management, infrastructure improvements and cyber security. We have over 50 elected and appointed county officials from around the state scheduled to participate. The event has brought in three new corporate sponsors (Cisco, Microsoft and Chevron Energy Solutions) who have not previously participated at this level with CSAC. Additionally, several other companies (IBM, AT&T, HP, Xerox and Google) have signed up to attend and have interest in participating in these events in the future.

We made a number of changes to increase revenue at the Annual Conference including offering sponsorships for the lanyards, conference app, center lounge area, keycards, seated massages and several receptions. These changes have resulted in \$70,000 in conference sponsorships that did not exist previously. We have earned \$87,000 in booth registration revenue this year which is an increase of \$10,000 over last year.

We currently have eight Premier Corporate Members (Coast2Coast, Healthstat, Kaiser Permanente, Nationwide Retirement Solutions, PG&E, Southern California Edison and Xerox) and 26 Associate members that have paid a total of \$210,000 in membership dues. This is an increase of over \$100,000 in annual membership dues.

## 2012 Year End Review

The Institute for Local Government's mission is to promote good government at the local level with practical, impartial, and easy-to-use- resources for California communities. The Institute believes local governments are at the heart of shaping and sustaining great places for Californians to live, work, play and learn.

The following summarizes the highlights of how ILG pursued its mission on behalf of local officials in 2012.

### Resources for Newly Electeds

A key ILG goal for 2012 has been meeting the needs of newly elected officials.

Local officials can access ILG resources from the new website resource center for newly electeds: [www.ca-ilg.org/new-local-public-service](http://www.ca-ilg.org/new-local-public-service).

County staff assembling orientation resources for their newly elected officials can access them in an easy to download section of its website: [www.ca-ilg.org/OrientationMaterials](http://www.ca-ilg.org/OrientationMaterials).

ILG promoted these resources through a variety of local agency associations and social media. These materials are also available to CSAC's New Supervisors Institute.

Since these efforts and the fall elections have drawn near, these materials have become among the most used on the ILG website.



### ILG Leadership

As a 501(c)(3) organization, the Institute's efforts are guided by a board of directors that includes liaisons to the CSAC Board (San Diego County Supervisor Greg Cox, who is vice chair of the ILG Board), the County Administrators Association of California (Rick Haffey, Nevada County CAO) and other current and former local officials (including Santa Barbara County Supervisor Salud Carbajal). CSAC's Executive Director also has a designated seat on the ILG board.

## ILG Website Upgrade

One of the key ways the Institute is able to respond to local officials' information needs is through its website, which allows local officials, the media and the public to access information 24/7.

In 2012, ILG transferred 4,000 pages to a new platform to enable the Institute to better reach and serve local officials.

Institute resources were downloaded over 9,000 times and webpages were viewed 150,000 times from 45,000 visits (67 percent were new visitors) in 2012.

The Institute also used the new website software's newsletter function to send out four newsletters that alerted some 2,000 local officials to the Institute's resources.

## Ethics and Transparency

ILG directly enabled 564 local officials satisfy their AB 1234 training requirements. It also assisted 27 local agency attorneys provide such training in a cost-effective fashion with ILG's train-the-trainer and handout materials.

## Educational Opportunities for Local Officials

The Institute participated in or planned 33 educational programs for local officials, including four webinars.

Key themes covered in these sessions included:

- Transparency, ethics and public engagement
- Nuts and bolts issues relating to elected official/staff relationships;
- Intergovernmental collaboration; and
- Making communities safer for children walking and biking to school.

A number of these sessions were for the CSAC Institute for Excellence in County Government, which ILG was pleased to contribute to. In addition, ILG resources were used as handout materials in a number of additional CSAC Institute sessions.



## Resource Conservation and Sustainability

To assist hardworking local staff, the Institute facilitates sharing information through the Sustainable Communities Learning Network LinkedIn group. This is the most interactive element of the over 2300 elected officials, staff and others that are part of ILG's Sustainability Communities Learning Network.

Participants in the Beacon Award sustainability recognition program continue to make progress and be recognized for their efforts to save energy and reduce greenhouse gas emissions. Currently, the following counties are part of the 43 agencies participating in the program: Yolo, Sonoma, San Diego and San Luis Obispo.

## Information to Support Local Officials in Their Service to Their Communities

The Institute worked hard to meet the information needs of local officials with new practical, impartial and easy-to-use resources. Some of the specific work product produced in 2012 included:



### Ethics and Transparency ([www.ca-ilg.org/publications-ethics-transparency](http://www.ca-ilg.org/publications-ethics-transparency))

- Launching and publicizing of the website resource center explaining the new gift rules ([www.ca-ilg.org/GiftCenter](http://www.ca-ilg.org/GiftCenter)).
- Producing and disseminating six whitepapers available through [www.ca-ilg.org/everydayethics](http://www.ca-ilg.org/everydayethics) on the following topics:
  - The “Front Page” Test: An Easy Ethics Standard
  - Understanding Changes to the Gift Rules
  - Website Transparency Opportunities
  - Local Regulation of Lobbying Activities (a two-part series)
  - Money and Public Service: A Possible Blind Spot?

### Local Government 101 ([www.ca-ilg.org/post/ilg-resource-list](http://www.ca-ilg.org/post/ilg-resource-list))

- Tips for Governing Board Member Success
- Tips for Chief Executive/Staff Success
- Board/Executive Communication Strategies
- Chief Executive Evaluation: Key Things to Keep in Mind
- Dealing with Bumps in the Road in Staff/Electeds Relationships
- Understanding the Labor Relations Process

### Public Engagement ([www.ca-ilg.org/publications-public-engagement](http://www.ca-ilg.org/publications-public-engagement))

- A Local Official’s Guide to Online Public Engagement
- Dealing with Deeply Held Concerns and Other Challenges to Public Engagement Processes
- Three Orientations of Local Government to Public Engagement: Passive – Active – Sustaining
- Understanding SB 375: Opportunities to Engage the Public in Regional Planning (produced with the Sustainability program)



**Sustainability** ([www.ca-ilg.org/post/ilg-resource-list](http://www.ca-ilg.org/post/ilg-resource-list))

- Regional Partnerships Provide Leadership
- Operation Mulch-A-Lot: Long Beach Chips Away at Blight and Waste
- Built to Last: Charting a Path to a Sustainable Economy
- Spotighting Energy Efficiency in California Communities
- Sustainability's Many Faces: Beacon Award Program Participants Create Vibrant Communities
- Today's Youth: Tomorrow's Green Workforce
- Financing Energy Efficiency: Options and Issues to Consider



Under the chairmanship of CSAC 2nd vice president John Gioia, the Cities Counties Schools Partnership enabled the three major associations to share information on ways in which counties, cities and schools can work together in service to families and children (community schools partnerships).

Work also continued in providing information to local officials about providing safe transportation options for children getting to school. In addition, a key focus of the September meeting was realignment. ILG is pleased to provide staff services for CCS.

**Funding/Leveraging Resources**

The Institute's annual budget is about \$1.9 million.

**Eighty seven percent** of that amount comes from foundations, contracts, private sector support, publications revenues, training fees and sources *other than* the League and CSAC.

The Institute is proud to be able to leverage CSAC and League resources to such an extent.



**Institute Contact Information**

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