

CALIFORNIA STATE ASSOCIATION OF COUNTIES  
EXECUTIVE COMMITTEE

January 19, 2012  
CSAC Conference Center, Sacramento

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MINUTES

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Presiding, Mike McGowan, President

1. ROLL CALL

Mike McGowan, President	Greg Cox, San Diego, alternate
David Finigan, 1 <sup>st</sup> Vice Pres.	Valerie Brown, Sonoma (audio)
John Gioia, 2 <sup>nd</sup> Vice Pres.	Joni Gray, Santa Barbara
Keith Carson, Alameda	John Viegas, Glenn
Federal Glover, Contra Costa	Terry Woodrow, Alpine
John Moorlach, Orange (audio)	Susan Cash, Inyo, alternate
Liz Kniss, Santa Clara	
Kathy Long, Ventura (audio)	

The presence of a quorum was noted.

2. INTRODUCTION OF NEW EXECUTIVE COMMITTEE MEMBERS

President McGowan introduced the new members who were elected to the Executive Committee for 2012. They were Supervisors Carson, Cash and Gibson. New advisors are Marin County Administrator Matthew Hymel and Monterey County Counsel Charles McKee.

3. APPROVAL OF MINUTES

The minutes of October 6, 2011 were approved as previously mailed.

4. REPORT ON GOVERNOR'S BUDGET FOR 2012-13

Ana Matosantos, Director of the Department of Finance, provided a report on the Governor's Budget for 2012-13, which was released on January 5. She indicated that the deficit has dropped from approximately \$20 billion to approximately \$5 billion. The budget contains significant program reductions and continues to focus on moving government closer to the people, improving government efficiency and paying down the state's debt. The budget also proposes a reorganization of state government including the elimination and consolidation of 48 boards, commissions, programs and departments. Ms. Matosantos noted that 15,000 positions have been eliminated in the last year and they are looking at cutting and additional 3000 positions this year, primarily in the Department of Corrections.

It was suggested that CSAC establish a health & human services working group to identify areas where flexibility can be achieved in spending categorical funds. Recommendations would then be forwarded to the Administration to assist in achieving necessary changes. In addition, the Officers requested that the Administration include CSAC when negotiations take place on pension reform, regulatory reform, redevelopment and program flexibility to offer assistance and provide advice as proposals are developed.

5. DISCUSSION OF BUDGET IMPACTS ON COUNTIES

Staff outlined specific program cuts to county programs as outlined in the briefing materials. It was noted that the CalWORKS program is slated to be cut by almost \$1 billion and substantial cuts are proposed for Medi-Cal and IHSS.

The Governor's budget also proposes "trigger" cuts totaling \$5.4 billion, if essential revenues are not raised through the passage of his November 2012 initiative. The majority of those cuts would be reductions to schools and community colleges. The remainder of the cuts would be to courts, CalFIRE and small cuts to various other state protection agencies.

Staff indicated that the Governor's budget plan proposes to reduce state spending on local government and school mandates, saving the General Fund \$828 million. In addition, the Governor proposes to repeal dozens of the roughly 50 mandates that have been suspended at least two years.

6. APPOINTMENT OF CSAC TREASURER, NACo BOARD AND WIR REPRESENTATIVES

The CSAC Officers recommended the following appointments for 2012:

CSAC Treasurer: Terry Woodrow, Alpine

NACo Board of Directors: Keith Carson, Alameda and Liz Kniss, Santa Clara

NACo WIR: Brian Dahle, Lassen and David Finigan, Del Norte

Motion and second to approve Officer recommendations as listed above. Motion carried unanimously.

7. APPOINTMENT OF CSAC POLICY COMMITTEE CHAIRS AND VICE CHAIRS

The CSAC Officers recommended the following appointments for 2012 CSAC policy committee chairs and vice chairs:

**Administration of Justice** - Federal Glover, Contra Costa, Chair and Merita Callaway, Calaveras, Vice chair;

**Agriculture & Natural Resources** - Richard Forster, Amador, Chair and Kimberly Dolbow Vann, Colusa, Vice chair;

**Government Finance & Operations** - Bruce Gibson, San Luis Obispo, Chair and John Moorlach, Orange, Vice chair;

**Health & Human Services** - Liz Kniss, Santa Clara, Chair and Terry Woodrow, Alpine, Vice chair;

**Housing, Land Use & Transportation** - Efren Carrillo, Sonoma, Chair and Matt Rexroad, Yolo, Vice chair.

Motion and second to approve Officer recommendations for 2012 policy committee chairs and vice chairs as listed above. Motion carried unanimously.

8. STATE AND FEDERAL LEGISLATIVE PRIORITIES FOR 2012

Staff outlined proposed CSAC State Legislative Priorities for 2012 as contained in the briefing materials. It was pointed out that the section on Pension Reform should be updated. Staff indicated that CAOAC representatives have been meeting to develop

revised pension reform principles which will be considered by the Government Finance & Operations policy committee prior to Board consideration on February 23.

Staff outlined draft CSAC Federal Legislative Priorities for 2012 as contained in the briefing materials. There are eight federal issues of significance that CSAC's federal lobbyists will advocate for this year and fourteen issues that staff will monitor internally. The CSAC officers previously considered the federal priorities and added two issues for internal monitoring – FEMA Mapping and Pension Tier Changes: Conflict with IRS Requirements.

It was suggested that the FEMA Mapping language be strengthened to address the issue of increased costs to homeowners and developers caused by the decertification of levees. Staff was directed to add the federal legislation regarding borrowing deferred compensation funds to pay for health insurance to the internal monitoring section.

Motion and second to approve the 2012 CSAC State and Federal Legislative Priorities as amended and recommend adoption by the Board of Directors.  
Motion carried unanimously.

9. CONSIDERATION OF POSITION ON GOVERNOR'S NOVEMBER 2012 BALLOT INITIATIVE

Staff distributed and reviewed the Attorney General's title and summary of the Governor's November ballot initiative which was released yesterday. The title, "*Temporary Taxes to Fund Education. Guaranteed Local Public Safety Funding. Initiative Constitutional Amendment*" is considered a very favorable one by CSAC staff and consultants. Staff indicated that two of the three other potential tax measures on the November ballot have been dropped.

A discussion ensued regarding the pros and cons of supporting the Governor's measure. Concerns were expressed about the tax increases contained in his measure. President McGowan urged Executive Committee members to support the Governor's initiative in order to maintain a positive relationship as we move forward with achieving constitutional protections for Realignment.

Motion and second to recommend that the CSAC Board of Directors support the Governor's November 2012 ballot initiative. Motion carried (8 in favor/5 opposed).

Staff was directed to compare Governor Wilson's 1991 tax initiative with Governor Brown's initiative.

10. UPDATE ON AB 109 ALLOCATION PROCESS

Staff reported that the current formula that dictates each county's share of AB 109 funds is set in statute and applies only for the nine-month implementation period in 2011-12. A new formula must be statutorily set for 2012-13 and subsequent years. The County Administrative Officers Association of California (CAOAC) established a Realignment Allocation Committee in 2011 composed of nine CAOs – three urban, three suburban and three rural. They have begun meeting to contemplate approaches for a Year two allocation formula. While no substantive decisions have been made to date, the committee is working toward a March 2012 deadline based on input given by the Administration. The committee is approaching this important policy discussion thoughtfully, with a goal of ensuring that the county-by-county distribution puts individual jurisdictions in the best position to successfully implement public safety realignment.

CSAC staff has been meeting regularly with sheriffs throughout the state regarding issues of concern such as lengthy sentences and discussing ways to make adjustments.

11. REPORT ON REDEVELOPMENT AGENCY STATUS

In December 2011, the California Supreme Court ruled to uphold the elimination of community redevelopment agencies. This decision requires that agencies are dissolved on February 1, 2012. Staff reported that a coalition of redevelopment advocates is currently attempting to seek legislative approval to extend that date. However, the Administration has indicated they are not interested in an extension.

County auditor-controllers are responsible for many duties associated with the dissolution for all redevelopment agencies. CSAC staff will be working with county counsels, auditor-controllers and others to help engage in the legislative dialogue that is forthcoming on this matter as well as providing additional information to counties regarding the dissolution process.

12. INFORMATION ITEMS

Staff announced that CSAC has hired John Samartzis as its new Director of Corporate Relations to oversee the Corporate Associates program. Samartzis previously held a similar position with the National Association of Counties (NACo).

Written reports on the CSAC Finance Corporation, CSAC Corporate Associates and Litigation Coordination programs were contained in the briefing materials.

Meeting adjourned.