

CALIFORNIA STATE ASSOCIATION OF COUNTIES
EXECUTIVE COMMITTEE
April 9, 2015
Avalon, Los Angeles County

MINUTES

1. Roll Call

Vito Chiesa, President	Henry Perea, Fresno
Richard Forster, 1 st Vice Pres.	Linda Seifert, Solano, alternate
Dave Roberts, 2 nd Vice Pres.	Virginia Bass, Humboldt (audio)
John Gioia, Immed. Past Pres.	Ed Valenzuela, Siskiyou
Keith Carson, Alameda	Judy Morris, Trinity. Treasurer
Carole Groom, San Mateo	Rick Haffey CAOAC Advisor
Don Knabe, Los Angeles	Charles McKee, Co. Counsel Advisor
Susan Peters, Sacramento (audio)	
Ken Yeager, Santa Clara (audio)	Guests: Riki Hokama, NACo Pres.
Kathy Long, Ventura, alternate	Matt Chase, NACo Exec. Dir.
Bruce Gibson, San Luis Obispo	
Leonard Moty, Shasta	

2. Approval of Minutes

The minutes of January 15, 2015 were approved as previously mailed.

3. Report on Human Sex Trafficking

Supervisor Don Knabe presented a report on child sex trafficking and described efforts underway in Los Angeles County to address this problem. Los Angeles is one of the highest trafficking areas in the nation. The average age when most youth are lured into child sex trafficking is between eleven and fourteen.

Staff discussed current legislative efforts underway to address this issue. AB 1051 has been introduced and is supported by Los Angeles County. The bill would add human trafficking as an offense that may be used to establish a pattern of criminal gang activity. Last year's SB 1388 increased penalties for johns, by requiring a minimum of two days in jail and a fine. The briefing materials contained several additional examples of federal and state legislative efforts to tackle this important issue.

Staff also presented a resolution to affirm CSAC's commitment to preventing commercial sexual exploitation of children in counties, and requested approval and referral to the CSAC Board of Directors for adoption.

Motion and second to approve and refer the resolution to CSAC Board of Directors. Motion carried unanimously.

Motion and second to also refer the resolution to the CSAC Women's Leadership Network for consideration and recommendations to the appropriate policy committees.

4. Proposed CSAC Budget for FY 2015-16

Supervisor Judy Morris, CSAC Treasurer, presented the proposed CSAC budget for FY 2015-16. She noted revenue highlights which include: \$200,000 anticipated increased in Finance Corp. contribution; additional 10% revenue from Corporate Associates program; and increased CSAC Institute revenue due to further expansion of the program. A chart contained in the briefing materials shows that CSAC reserves are projected to be \$6m in the coming year, largely due to the sale of the Ransohoff building. Matt Cate indicated that the proposed budget calls for a 5% staff salary increase.

Motion and second to approve proposed CSAC Budget for FY 2015-16 and recommend adoption by the CSAC Board of Directors. Motion carried unanimously.

5. Operating Reserve Policy

Staff distributed and outlined a draft reserve policy which is intended to maximize the ongoing fiscal stability and flexibility of CSAC and ensure funds are prioritized to meet association priorities. Staff recommended the establishment of a 6-month operating reserve. This amount would meet the national standard target for non-profit organizations.

Motion and second to approve the CSAC Operating Reserve Policy. Motion carried unanimously.

6. IRS Form 990

Staff presented CSAC's Form 990, which the IRS requires nonprofit mutual benefit corporations to file annually. Current CSAC policy indicates that this form be approved by the Executive Committee and then provided to the Board of Directors for information.

Motion and second to approve Form 990. Motion carried unanimously.

7. Assembly Speaker's Affordable Housing Package

Staff outlined specifics of Assembly Speaker Atkins' affordable housing legislative package which includes two key pieces of legislation. AB 1335 (Atkins) would establish a permanent source for affordable housing by assessing a \$75 fee on real estate transaction documents, excluding home sales. AB 35 (Chiu) would increase the state's Low Income Housing Credit to assist in the development of affordable rental units.

Staff noted that CSAC has standing policy in support of a permanent source for affordable housing, but the policy does not detail the specific approaches the

association would support. Concern was expressed regarding the fact that many county clerk-recorders are opposing AB 1335. Staff was directed to seek amendments to the bill and outline CSAC concerns in a letter.

Motion and second to take a “Support if Amended” position on AB 1335.
Motion carried.

Supervisors Gibson and Knabe abstained. Supervisor Valenzuela voted ‘no’ on the motion.

By consensus, it was agreed to support AB 35.

8. National Association of Counties (NACo) Report
Councilmember Riki Hokama, NACo President, and Matt Chase, NACo Executive Director, discussed NACo’s federal legislative priorities and the financial partnership with CSAC through programs such as US Communities and Nationwide Retirement Solutions (NRS).

President Hokama announced that NACo, along with the Council of State Governments and the American Psychiatric Foundation, will launch the “Stepping Up” campaign in May. This initiative is intended to provide assistance to counties in reducing the impact on jail systems, improving public public safety and supporting recovery for people with mental illness. NACo and its partners are developing comprehensive resources to guide counties through their initiatives and provide opportunities to learn from others’ successes.

9. CSAC Legislative and State Budget Update
Staff provided an update on the Medicaid Section 1115 waiver which is set to expire on October 13, 2015. The current waiver provides approximately \$10b to California over five years, with \$2b directly benefiting the state General Fund. The Brown Administration, under the leadership of Department of Health Care Services (DHCS), is moving forward to renew the waiver. DHCS is currently soliciting feedback from stakeholders on their draft concept paper. Counties can submit comments to WaiverRenewal@dhcs.ca.gov. Details of the concept paper were contained in the briefing materials.

Staff reported that there has been increasing recognition from the Legislature that action is needed to address the substantial and persistent transportation funding shortfalls, and proposals in both the Assembly and Senate are beginning to take shape. CSAC has participated in regular discussions with a coalition of transportation stakeholders as well as meetings with legislators and staff who are working on specific revenue proposals. Senator Beall will soon be introducing a bill that would generate an estimated \$3b a year for the next five years to help restore California’s crumbling transportation infrastructure at the state and local level, by increasing the gas tax and levying additional fees on vehicle registrations.

Staff outlined a chart that was contained in the briefing materials showing State General Fund requests contained in the Governor's January budget, as well as legislative proposals, totaling over \$1b.

10. CSAC Operations and Member Services Update

Graham Knaus was recently hired as Director of Operations and Member Services, replacing Jean Jordan. He announced that he will be looking at internal operations to ensure that needs are being met. He will also be very involved in the mini-summits/regional meetings that CSAC has been convening throughout the state.

11. CSAC Strategic Plan

Staff has been developing a framework and timeline for the strategic plan and requested input from the Executive Committee. Matt Cate indicated some areas he would like to work on are expanding the CSAC Institute and educational programs, and increasing efficiencies, analysis and research. Executive Committee members expressed that educating the public and legislature about counties is important, as well as development and implementation of sound public policy to ensure health and safety of all Californians. Learning from other counties about how they are dealing with issues through networking opportunities was thought to be a benefit of CSAC membership.

12. Information Items

A CSAC Corporate Partner update and Litigation Coordination Program update were contained in the briefing materials.

The meeting adjourned to closed session.