

CALIFORNIA STATE ASSOCIATION OF COUNTIES  
BOARD OF DIRECTORS  
Thursday, February 18, 2016  
Masonic Hall, Sacramento

M I N U T E S

Presiding: Richard Forster, President

1. ROLL CALL

Alameda	Keith Carson	Placer	Jim Holmes
Alpine	Terry Woodrow	Plumas	Lori Simpson (audio)
Amador	Forster/Boitano	Riverside	absent
Butte	Bill Connelly	Sacramento	absent
Calaveras	absent	San Benito	absent
Colusa	Kim Dolbow Vann	San Bernardino	James Ramos
Contra Costa	absent	San Diego	Roberts/Cox
Del Norte	absent	San Francisco	vacant
El Dorado	Ron Mikulaco	San Joaquin	Bob Elliott (audio)
Fresno	Henry Perea	San Luis Obispo	Bruce Gibson (audio)
Glenn	John Viegas (audio)	San Mateo	Carole Groom (audio)
Humboldt	Virginia Bass	Santa Barbara	Doreen Farr (audio)
Imperial	absent	Santa Clara	absent
Inyo	Jeff Griffiths (audio)	Santa Cruz	Bruce McPherson (audio)
Kern	Leticia Perez	Shasta	Leonard Moty (audio)
Kings	Doug Verboon (audio)	Sierra	Lee Adams (audio)
Lake	absent	Siskiyou	Ed Valenzuela
Lassen	Jim Chapman (audio)	Solano	Linda Seifert
Los Angeles	absent	Sonoma	Efren Carrillo
Madera	absent	Stanislaus	Vito Chiesa
Marin	absent	Sutter	Larry Munger
Mariposa	John Carrier	Tehama	Robert Williams
Mendocino	Carre Brown (audio)	Trinity	Judy Morris (audio)
Merced	absent	Tulare	Steve Worthley
Modoc	Jim Wills (audio)	Tuolumne	Sherri Brennan
Mono	Larry Johnston	Ventura	Kathy Long (audio)
Monterey	Fernando Armenta (audio)	Yolo	Jim Provenza
Napa	Diane Dillon	Yuba	Roger Abe
Nevada	Hank Weston	Advisor: Pat Blacklock	
Orange	Lisa Bartlett (audio)		

The presence of a quorum was noted.

2. APPROVAL OF MINUTES

The minutes of December 3, 2015, were approved as previously mailed.

3. PRESENTATION OF DISTINGUISHED SERVICE AWARDS

President Forster presented the following Distinguished Service Awards:

*Betty Yee, State Controller* – for her ongoing commitment to partnering with counties in promoting fiscal health and well-being;

*Michael Cohen, State Department of Finance Director* – for his instrumental role in accelerating the pre-2004 mandate payments to local governments, as well as the allocation of PILT revenues for the first time in more than a decade; and

*Joe Dhillon, Senior Advisor to the Governor for Tribal Negotiations* – for maintaining open lines of communication with CSAC staff and individual counties which allowed CSAC to provide ample input regarding mitigating local government impacts from off-reservation gaming.

4. CORPORATE PARTNER PRESENTATION

Brian Hicks from BlueCat addressed the Board regarding IT services the company provides. The CSAC Corporate Partnership program currently has 60 partners. The next CSAC regional meeting will be held on March 24 in Shasta County. The 2016 Corporate Partner Guide is being distributed to every procurement and general services officer in California.

5. GOVERNOR'S BUDGET FOR 2016-17

Michael Cohen, State Department of Finance Director, presented highlights of the Governor's proposed FY 2016-17 budget, totaling \$122 billion in General Fund expenditures. He noted that the an economic downturn is expected next year and the Governor is supporting state programs that will help California more readily bounce back from the next recession through workforce training and education transition assistance. He discussed the three components of the Governor's Public Safety Initiative: expanded credit system for prison inmates who participate in education and rehabilitation programs; parole consideration opportunities for a broader state prison population; and amending the juvenile justice process for convicting juveniles in adult court. The proposal also contains \$25 million in public safety money for cities and counties to site re-entry facilities in their communities.

6. STATE BUDGET REVIEW AND POTENTIAL BALLOT MEASURES

Staff presented an update on CSAC's top 2016 legislative priorities contained in the Governor's proposed FY 2016-17 budget.

The expiration of the MCO tax on June 30 of this year is expected to create a \$1.3 billion hole in the state's General Fund, which would result in cuts across multiple programs. The Governor has called a special session on health care to focus the Legislature on passing a revised MCO tax. In his budget, the Governor proposes a revised three-year tiered MCO tax plan based on the type of health plan (commercial, closed-system, and Medi-Cal). Staff reported that the proposal is now being supported by health plans, counties and other stakeholders. Legislative committees should be meeting next week and a vote by the Legislature is expected to take place in the next two weeks.

The Governor's proposed budget contains a reintroduction of his 2015 transportation funding and reform package that would spend an additional \$3.6 billion annually for ten years on a maintenance and rehabilitation of state and local transportation systems and investments in transit. The proposal also includes a number of reforms and accountability measures. Under the Governor's proposal, cities and counties would receive \$1.05 billion annually in new revenue. While this funding would help local governments to start to address significant maintenance and rehabilitation needs, it would not be enough to actually improve the overall condition of the local streets and road system or reduce overall maintenance backlogs. Staff distributed a chart showing the numerous transportation bills currently in the Legislature. None of the current proposals provide enough money for local transportation funding.

Staff provided an update on the Stormwater/Water Conservation initiative which is a measure that would amend Article X of the California Constitution to create a new, optional funding system local agencies can use to finance stormwater management, flood control, sewer and water supply projects, set rates for customers to encourage conservation and reduce water and sewer bills for low-income customers. The

coalition has met with both the Legislative Analyst Office (LAO) and the Attorney General's Office regarding this initiative. The Attorney General is expected to issue a Title and Summary soon. If it is positive, the coalition will conduct additional polling to determine public support. A decision to move forward with a ballot measure via the signature gathering or legislative process will likely not occur until early March, and will be highly dependent upon the results of the polling.

Staff provided an update on November 2016 ballot initiatives. Currently, there are 68 initiatives circulating for signature. Eight measures have qualified so far. The briefing materials contained details on those eight initiatives. Additional measures currently circulating for signatures touch on many issues that could have direct implications for counties, including marijuana legalization, public safety, property tax assessments, water quality and storage, electricity generation, three-strikes reform, minimum wage adjustments, pension and retiree health benefits, and disability access. Initiatives that qualify for the ballot and have an impact to counties will be referred by the CSAC Officers to the appropriate policy committees, which will make recommendations to the Executive Committee and Board of Directors.

7. State and Federal Legislative Priorities for 2016

Staff presented the draft CSAC 2016 State and Federal Advocacy Priorities as contained in the briefing materials. Staff noted that the CSAC policy committees and Executive Committee have reviewed the priorities. Staff was directed to identify "Tree Mortality" as a stand-alone issue under federal priorities and add "2-1-1 Statewide" to the list of state priorities.

Motion and second to adopt the State and Federal Legislative Priorities for 2016 as amended. Motion carried unanimously.

8. Ratification of Support for Greg Cox, NACo 2<sup>nd</sup> Vice President Candidate

President Forster announced that Supervisor Greg Cox is running for second vice president of the National Association of Counties (NACo) and requested Board of Directors' support for his candidacy.

Motion and second to ratify support for Greg Cox and his NACo campaign. Motion carried unanimously.

Staff noted that there are currently three candidates running for NACo second vice president, and all will have booths at the upcoming NACo Legislative Conference in Washington, DC on February 20-23. Board members who are attending the NACo conference were encouraged to assist in campaign activities. Supervisor Cox requested that all counties register and attend the NACo annual conference in July in order to achieve the maximum number of votes.

9. CSAC Finance Corporation Report

Supervisor Linda Seifert, CSAC Finance Corporation President, reported that the Finance Corporation Board currently has an opening for a county treasurer. Candidates are being vetted now and recommendations will be brought to the Executive Committee for consideration at a future meeting.

Staff reported that the US Communities Cooperative Purchasing program now has 38 suppliers. A list of those suppliers was distributed to the Board. The CSAC Finance Corporation Board voted yesterday to approve a new program related to unclaimed property recovery. Details of this new program will be provided to the Executive Committee and Board of Directors at an upcoming meeting.

10. Conflict of Interest Statement for CSAC Board of Directors

CSAC is a California nonprofit corporation. Members of the Board of Directors are subject to certain legal obligations in the performance of the duties of their position. For this reason, CSAC has established a Conflict of Interest Policy for its Board members. Staff requested that all Board members sign the Conflict of Interest Statement and return it to CSAC.

11. Informational Reports

The briefing materials contained informational reports on the Institute for Local Government (ILG) and the CSAC Litigation Coordination Program.

Meeting adjourned.