

CALIFORNIA STATE ASSOCIATION OF COUNTIES
BOARD OF DIRECTORS
Thursday, March 24, 2011
CSAC Conference Center, Sacramento

MINUTES

Presiding: John Tavaglione, President

1. ROLL CALL

Alameda	Keith Carson	Placer	absent
Alpine	Terry Woodrow	Plumas	Terry Swofford
Amador	Louis Boitano	Riverside	John Tavaglione
Butte	Steve Lambert	Sacramento	Susan Peters
Calaveras	Merita Callaway	San Benito	Margie Barrios (audio)
Colusa	Kim Dolbow Vann	San Bernardino	absent
Contra Costa	Karen Mitchoff (audio)	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 (audio)
Humboldt	Mark Lovelace (audio)	Santa Barbara	Joni Gray (audio)
Imperial	Gary Wyatt	Santa Clara	Liz Kniss
Inyo	Susan Cash (audio)	Santa Cruz	Mark Stone
Kern	absent	Shasta	Leonard Moty
Kings	absent	Sierra	Lee Adams
Lake	absent	Siskiyou	Jim Cook
Lassen	Jim Chapman	Solano	Mike Reagan
Los Angeles	absent	Sonoma	Valerie Brown
Madera	Frank Bigelow (audio)	Stanislaus	Vito Chiesa
Marin	Susan Adams	Sutter	Larry Munger
Mariposa	Lyle Turpin	Tehama	Robert Williams
Mendocino	Carre Brown	Trinity	Judy Pflueger
Merced	Hub Walsh	Tulare	absent
Modoc	Jeff Bullock	Tuolumne	Richard Pland (audio)
Mono	Hap Hazard	Ventura	Kathy Long (audio)
Monterey	Fernando Armenta	Yolo	McGowan/Rexroad
Napa	Brad Wagenknecht	Yuba	Roger Abe
Nevada	Ted Owens (audio)	Advisors:	Nancy Watt &
Orange	John Moorlach		Marshall Rudolph

The presence of a quorum was noted.

2. APPROVAL OF MINUTES

The minutes of November 18, 2010 were approved as previously mailed.

3. REMARKS BY GOVERNOR BROWN REGARDING REALIGNMENT PROPOSAL

Governor Jerry Brown addressed the CSAC Board of Directors and discussed his views regarding his proposal to realign some state programs at the local level. He noted that a key part of his proposal is to put control back at local level. Further, he stated there has to be maximum local discretion and that he is committed to giving counties money and authority to provide services. However, some federal restrictions will apply.

The Governor's proposal identifies funding for five years. When asked about funding in year six and beyond he stated that counties will have a secure claim on funds available, but that those funds cannot be identified at this point. The proposed Constitutional Amendment guarantees funding, but does not specify where it will come from.

The Governor urged CSAC to support his realignment proposal which would include cuts and extend existing taxes. He indicated it would be difficult to identify exactly what the cuts are at this time. He also indicated that CSAC's endorsement would help in convincing the Legislature to go along with his proposal.

4. CONSIDERATION OF GOVERNOR'S REALIGNMENT PROPOSAL

President Tavaglione thanked the following supervisors for their active participation in the CSAC Realignment Working Group (RWG): Greg Cox, Valerie Brown, Don Knabe, Liz Kniss, Keith Carson, Diane Dillon, Fernando Armenta, Merita Callaway, and John Viegas. The CSAC RWG has been meeting since January to analyze the Governor's proposal and develop a response which was shared with the Department of Finance and legislative leadership. This document outlined protections that counties sought in the constitutional amendment, as well as programmatic concerns and potential mitigations that counties had identified.

Staff outlined the elements contained in the realignment proposal now known as ACA 2X (Blumenfeld) and SCA 1X (Steinberg). These two identical measures would extend the 2009 tax increases and provide a framework for realignment of program responsibilities from the state to counties.

Staff also outlined the risks associated with the proposed constitutional amendment such as the ability to enforce continuous appropriation of funds, ability to enforce 50/50 share of cost for new federal requirements, non-supplantation language, and lack of protection for outcomes of state court decisions.

Staff indicated that if these measures do not pass, it is very likely that the Legislature will realign public safety programs and transfer offenders to county jails without any dedicated revenue or constitutional protection. Shifts in social service programs would also take place.

Supervisor Brown announced that the Sonoma County Board of Supervisors voted to support ACA 2X and SCA 1X. She also distributed a report regarding the potential impacts of the Governor's realignment proposal on Sonoma County.

Motion and second to approve ACA 2X and SCA 1X. Motion carried 45 to 4.

Additionally, the Board of Directors authorized CSAC to use this vote in support of an initiative if the Legislature approves placing it on the ballot.

CSAC staff will continue negotiations to further strengthen the bills through implementation language.

5. CONSIDERATION OF STATE AND FEDERAL LEGISLATIVE PRIORITIES FOR 2011

Staff presented the draft CSAC 2011 State and Federal Legislative Priorities as contained in the briefing materials. The Executive Committee previously considered the priorities and recommended adoption by the Board of Directors.

The eight federal issues of significance recommended for immediate advocacy include:

- New authorization of the nation's Surface Transportation Law (SAFETEA-LU)
- State Criminal Alien Assistance Program (SCAAP)
- Federal Climate Change/Renewable Energy Policy
- Native American Affairs
- Temporary Assistance for Needy Families (TANF) Reauthorization
- Secure Rural Schools Reauthorization
- Clean Water Act
- Levee Vegetation Management

The state legislative priorities include:

- Encourage health, safe, and sustainable communities.
- Seek budget solutions that address the structural deficit.
- Promote programs and services that stimulate the economy and protect jobs.
- Engage in long-term reform conversations.

Motion and second to approve the 2011 State and Federal Legislative Priorities as presented. Motion carried unanimously.

6. CONSIDERATION OF AMENDMENTS TO CSAC COUNTY PLATFORM

Administration of Justice. Supervisor Merita Callaway, Vice-chair of the CSAC Administration of Justice Policy Committee, presented proposed amendments to Chapter Two of the County Platform as contained in the briefing materials.

Motion and second to adopt amendments to Chapter Two of the County Platform. Motion carried unanimously.

Agriculture & Natural Resources. Staff presented proposed amendments to Chapters Three and Four of the County Platform as contained in briefing materials.

Motion and second to adopt amendments to Chapters Three and Four of the County Platform. Motion carried unanimously.

Government Finance & Operations. Supervisor John Moorlach, Vice-chair of the CSAC Government Finance & Operations Policy Committee, presented proposed amendments. The Government Finance & Operations Policy Committee recommended inclusion of the CSAC Realignment Principles and the Guiding Principles for Pension in the Platform.

Motion and second to include the Principles in the County Platform. Motion carried unanimously.

Health & Human Services. Supervisor Liz Kniss, Chair of the CSAC Health & Human Services Policy Committee, presented proposed amendments to Chapters Six and Twelve of the County Platform as contained in briefing materials.

Motion and second to adopt amendments to Chapters Six and Twelve of the County Platform. Motion carried unanimously.

Housing, Land Use and Transportation. Supervisor Matt Rexroad, Vice-chair of the CSAC Housing, Land Use & Transportation Policy Committee, presented proposed amendments to Chapters Seven, Eleven, and Sixteen of the County Platform as contained in the briefing materials.

Motion and second to adopt Chapters Seven, Eleven, and Sixteen of the County Platform. Motion carried unanimously.

7. REQUEST FOR ADOPTION OF COMPENSATION TRANSPARENCY PRINCIPLES

The CSAC Government Finance & Operations policy committee recommended that CSAC approve proposed Compensation Transparency Principles that will guide staff in developing positions and discussing proposed legislation and regulation related to the disclosure of compensation provided to public officials and employees. The principles are as follows:

- Avoid duplication
- Keep requirements consistent with the Brown Act and Public Records Act
- Maintain simplicity
- Apply to all levels of government

A detailed description of each of the principles was contained in the briefing materials.

Further, the policy committee recommended that CSAC support the State Controller's Local Government Compensation Reporting program and that the Executive Committee discuss how CSAC could best make use of the data provided to the State Controller.

The CSAC Executive Committee considered the principles at its January meeting and recommended adoption by the Board of Directors.

Motion and second to approve the proposed Compensation Transparency Principles, support the State Controller's Local Government Compensation Reporting program and recommend approval by the CSAC Board of Directors. Motion carried unanimously.

8. REQUEST TO AUTHORIZE SPONSORSHIP OF AB 1053

Staff requested that the Board of Directors authorize CSAC to sponsor AB 1053 (Gordon). This bill would permit counties to charge fees-for-service that more accurately reflect actual costs in the areas of laboratory analysis, Criminalistics laboratories fund, juvenile registration fee for public defender services, and vital records.

Both the CSAC Administration of Justice and Health & Human Services policy committees considered this proposal and recommended that the Board of Directors support.

Motion and second to authorize CSAC to sponsor AB 1053 (Gordon). Motion carried unanimously.

9. CONSIDERATION OF CSAC COUNTY EMPLOYEE HEALTH CARE BENEFITS PROGRAM

Paul McIntosh presented a proposal for CSAC to establish a health insurance benefits pool which would operate under CSAC's umbrella and be a licensed health care broker. A board of directors consisting of county and CSAC officials would oversee operations, similar to the Finance Corporation Board, and an advisory committee would be established consisting of counties opting into the program. The corporation would offer employee benefits packages that would include health, dental and vision care. CSAC would either hire a director and appropriate staff from a \$500,000 loan from CSAC reserves to be repaid within three years with interest, or engage in a contractual arrangement with a third-party administrator.

A feasibility study and risk analysis was contained in the briefing materials that finds that a health insurance benefit pool has the potential of saving California counties significant resources, while at the same time providing CSAC with an additional, sustained revenue stream to support other programs and services.

McIntosh indicated that the proposal was still in the exploratory stages and more work needs to be done. Staff will bring back an updated proposal to the Board of Directors at a future meeting. The recommendation is to authorize continuing to explore this program.

Concerns were expressed regarding the cost to CSAC and risks of implementing the program. Additional concerns were raised about how this would affect the CSAC Excess Insurance Authority's program already in place and that implementing this program may limit staff's ability to focus on legislative issues.

Motion and second to continue to explore this program including other options such as doing business with EIA. Motion carried.

10. RESOLUTION IN SUPPORT OF THE PREVENTION AND PUBLIC HEALTH FUND

Supervisor Liz Kniss, Chair of the NACo Health Steering Committee, presented a resolution to support federal efforts to fund and distribute Prevention and Public Health Fund monies for local jurisdictions to improve the health of all Americans.

Motion and second to support resolution. Motion carried unanimously.

11. CONSIDERATION OF CITIES, COUNTIES, SCHOOLS (CCS) PARTNERSHIP TRANSITION PLAN

Paul McIntosh reported that the current Executive Director of the CCS Partnership will retire at the end of fiscal year 2010/2011. This along with the fiscal constraints facing local governments provides an opportunity for the organization to transition to a new format and new management arrangement.

The transition plan calls for the Institute for Local Government (ILG) to provide management and staffing services to the CCS Partnership beginning in July 2011. The initial agreement would be for one year, with the option for each organization to renew. A detailed description of services was contained in the briefing materials.

Some Board members questioned the need for continuing this program. McIntosh indicated that it is a good forum for the officers of the three associations to discuss issues of common interest.

Motion and second to approve CCS Partnership Transition Plan. Motion carried unanimously.

12. APPOINTMENT OF MEMBER TO CALIFORNIA STATEWIDE COMMUNITY DEVELOPMENT AUTHORITY

The California Statewide Communities Development Authority (CSCDA) is a joint powers authority sponsored by CSAC and the League of California Cities. Its mission is to provide local governments and private entities access to low-cost, tax exempt financing for projects.

There are currently four former and current county officials representing CSAC on the CSCDA Board. Paul Hahn, one of these representatives, has not been able to participate. It was recommended that Tim Snellings, Butte County's Community Development Director, be appointed to replace Mr. Hahn on the Board.

Motion and second to approve replacement of Paul Hahn with Tim Snellings. Motion carried.
Supervisor Moorlach abstained.

13. OTHER ITEMS

Assembly Member Rich Gordon addressed the Board and thanked the CSAC officers for their work this year in dealing with the Legislature.

Supervisor Valerie Brown announced that while she was in Washington, DC at the NACo legislative conference, she and others met with the Bureau of Indian Affairs (BIA) regarding relationships with tribal governments. During that meeting the BIA agreed to have a MOU acknowledging that tribal government to local government relationships should be established.

The briefing materials contained reports on the CSAC Corporate Associates program, the Institute for Local Government (ILG), CSAC Finance Corporation, and the Litigation Coordination program, but no presentations were made. ILG has released two new publications which were available at the meeting. They are *Financial Management for Elected Officials* and *The ABCs of Open Government Laws*.

Meeting adjourned.