

CALIFORNIA STATE ASSOCIATION OF COUNTIES
BOARD OF DIRECTORS
May 30, 2013
CSAC Conference Center, Sacramento

M I N U T E S

Presiding: David Finigan, President

1. ROLL CALL

Alameda	Keith Carson	Placer	absent
Alpine	Terry Woodrow	Plumas	Jon Kennedy
Amador	Louis Boitano	Riverside	Tavaglione/Benoit
Butte	Bill Connelly	Sacramento	Susan Peters
Calaveras	Merita Callaway	San Benito	Margie Barrios
Colusa	Kim Dolbow Vann	San Bernardino	Josie Gonzales
Contra Costa	Gioia/Mitchoff	San Diego	Greg Cox
Del Norte	Finigan/Sullivan	San Francisco	Eric Mar
El Dorado	Norma Santiago	San Joaquin	Bob Elliott
Fresno	Henry Perea	San Luis Obispo	Bruce Gibson
Glenn	John Viegas (audio)	San Mateo	Carole Groom
Humboldt	Virginia Bass	Santa Barbara	Doreen Farr
Imperial	Ryan Kelley	Santa Clara	Ken Yeager
Inyo	Jeff Griffiths	Santa Cruz	Bruce McPherson
Kern	absent	Shasta	Les Baugh
Kings	Doug Verboon	Sierra	Lee Adams
Lake	Anthony Farrington (audio)	Siskiyou	Ed Valenzuela
Lassen	Jim Chapman	Solano	Linda Seifert
Los Angeles	absent	Sonoma	Carrillo/Rabbitt
Madera	Max Rodriguez	Stanislaus	Vito Chiesa
Marin	Susan Adams	Sutter	absent
Mariposa	John Carrier	Tehama	Robert Williams
Mendocino	Carre Brown	Trinity	Judy Pflueger
Merced	Hubert Walsh	Tulare	Steve Worthley
Modoc	Jim Wills	Tuolumne	Randy Hanvelt
Mono	Larry Johnston	Ventura	Kathy Long
Monterey	Fernando Armenta	Yolo	McGowan/Rexroad
Napa	Brad Wagenknecht	Yuba	Roger Abe
Nevada	Ed Scofield	Advisors:	Bill Goodwin & Charles McKee
Orange	John Moorlach		

The presence of a quorum was noted.

2. APPROVAL OF MINUTES

The minutes of February 21 and March 28, 2013 were approved as previously mailed.

3. CSAC CORPORATE ASSOCIATES REPORT

Marty Dettelbach with Coast2Coast Rx addressed the Board of Directors regarding the discount prescription program currently underway in many California counties. Rob Bilo of Nationwide Retirement Solutions (NRS) spoke about the long-term partnership that NRS has had with CSAC in providing deferred compensation services to counties. Both Coast2Coast and NRS are premier members of the CSAC Corporate Associates program.

4. GOVERNOR'S MAY REVISION OF THE 2013-14 STATE BUDGET

Ana Matosantos, Director of the State Department of Finance, provided an overview of the Governor's May Revise. She indicated that the budget is very similar to the Governor's January proposed budget. The bulk of the revenues will be directed to schools through Proposition 98. She also noted that property tax revenues are up because of the dissolution of redevelopment agencies. Ms. Matosantos discussed the Governor's plan to redirect 1991 health realignment funds from counties via a mechanism that identifies savings associated with implementation of the Affordable Care Act. Details of the Governor's plan are contained in CSAC's Budget Action Bulletin.

5. CSAC REPORT ON THE GOVERNOR'S MAY REVISION

The CSAC Officers and staff have been meeting with the Governor and Director Matosantos regarding implementation of the Affordable Care Act. CSAC is concerned about the amount of county funds the state wants to take as well as the proposal to shift of CalWorks child care programs to counties. Negotiations are continuing. Staff has also been meeting with county stakeholders to craft a proposal. Once a deal is finalized, staff will provide a report to the Board of Directors.

6. AB 109 ALLOCATION REPORT

In early 2011, the County Administrative Officers Association of California (CAOAC) named a 9-member Realignment Allocation Committee (RAC), at CSAC's request, to tackle the 58-county distribution of AB 109 and related funds. That committee is chaired by Susan Mauriello, Santa Cruz County Administrative Officer. She and two members of the RAC, Bill Goodwin and Larry Spikes, provided a report to the Board of Directors. To date, the committee has recommended – and the Legislature approved – two temporary formulas that direct the allocation of funds for the first three years of implementation.

The Department of Finance has requested a recommendation on a growth allocation methodology so the RAC is currently focusing on the distribution of estimated growth, which includes elements such as a guaranteed minimum for each county; establishment of appropriate minimum allocations for small counties; adjustments for variation between estimated and actual caseloads, and efforts to implement public safety realignment consistent with legislative intent. The RAC surveyed all 58 counties for input and is now developing a recommended approach.

Following the RAC's conclusion of its work associated with a recommended distribution of growth, it will begin devising a longer-term allocation formula that would apply beginning in 2014-15. To help in this effort, the RAC convened a Data Advisory Committee, comprised of representatives from at least 15 counties, to provide input on recommended elements for consideration in a long-term formula. The Advisory Committee is developing recommendations on elements for inclusion in a more permanent formula. These elements fall in three general categories: workload, performance and modifiers. The RAC is working toward a late Fall timeframe for recommending a longer-term funding formula.

7. CSAC POLICY COMMITTEE REPORTS

Health & Human Services. Supervisor Kathy Long, Chair of the CSAC Health & Human Services policy committee, provided a report from the May 30 meeting. The meeting primarily focused on California's implementation of the Affordable Care Act, including reports from coalition partners and county affiliates regarding specific impacts.

The committee also received a report from Senator Steinberg's office regarding his mental health proposal, which would pump nearly \$200 million into mental health services. The Senate has approved the proposal and it will be part of the state budget negotiations in the coming weeks.

Housing, Land Use & Transportation. Supervisor Phil Serna, Chair of the CSAC Housing, Land Use & Transportation policy committee, provided a report from the May 30 meeting. The policy committee approved CEQA Reform Principles and recommended adoption by the Board of Directors. An amended version was distributed to the Board for review. The principles were developed so CSAC can properly and effectively engage should legislative efforts gain traction in the current legislative session.

Motion and second to adopt CEQA Reform Principles as amended by CSAC's Housing, Land Use & Transportation policy committee. Motion carried unanimously.

A second item that was originally slated for action by the Board of Directors was consideration of the GoRail Resolution. However, the policy committee instead took action to support exploring and potentially developing further CSAC policy on freight rail and other rail issues of importance to counties such as commuter rail. The policy committee requested that staff consider the policy implications of pursuing rail issues in more depth and recommended that CSAC work with NACo as they have more extensive policy on freight and commuter rail issues.

The policy committee also received reports on Transportation Finance and a new Federal Tribal Possessory Interest Regulation.

Government Finance & Operations. Supervisor Bruce Gibson, Chair of the CSAC Government Finance & Operations policy committee, presented a report from the meeting held on May 30. The committee received reports regarding CalPERS, the State Budget, the fiscal side of health care implementation and a legislative update. No action items were brought forward for consideration.

Agriculture & Natural Resources. Supervisor Kim Vann, Chair of the CSAC Agriculture & Natural Resources policy committee, presented a report from the meeting held on May 30. The committee received reports on Sonoma County's Climate Strategy for Land Conservation, Cal Fire, current legislative issues, and the Working Lands Coalition proposal to fund a comprehensive agricultural land and open space protection program. No action items were brought forward for consideration.

Administration of Justice. Staff provided a report from the policy committee meeting held on May 30. The committee received presentations on a variety of topics related to juvenile justice, the upcoming parole revocation transfer from the state to the courts, and creating employment opportunities for offenders. No action items were brought forward for consideration.

8. PROPOSED CSAC BUDGET FOR FY 2013-14

Supervisor Terry Woodrow, CSAC Treasurer, presented the draft CSAC Budget for FY 2013-14, as contained in the briefing materials. The budget calls for an additional \$631,000 in dues revenue, in order to provide a higher level of service and meet the goals set by the Board of Directors. In addition, CSAC staff will be absorbing a share of retirement contributions. Travel costs are being reduced and one health benefit provider option is being eliminated. This proposed budget was unanimously approved by the Executive Committee on April 18.

Motion and second to adopt proposed CSAC Budget for FY 2013-14 as presented. Motion carried (2 no votes).

9. PROPOSED LITIGATION COORDINATION PROGRAM BUDGET FOR FY 2013-14
Jennifer Henning, Executive Director of the County Counsels Association, presented the proposed Litigation Coordination budget for FY 2013-14, as contained in the briefing materials. The proposed budget includes a 3% salary increase, per direction of the County Counsels Board of Directors, and an 11% fee increase to allow the program to continue to provide high quality coordination to counties and court representation to CSAC for the upcoming fiscal year. The proposed budget was unanimously approved by the Executive Committee on April 18.

Motion and second to adopt the proposed Litigation Coordination Program Budget for FY 2013-14 as presented. Motion carried unanimously.

10. CSAC FINANCE CORPORATION REPORT
The briefing materials contained a report on the highlights of the CalTRUST and CSAC Finance Corporation annual meetings held in April.
11. INFORMATION ITEMS
Informational reports on the Institute for Local Government (ILG), CCS Partnership, CSAC Litigation Coordination program, and the CSAC Institute for Excellence in County Government, were contained in the briefing materials.

Meeting adjourned.