

CALIFORNIA STATE ASSOCIATION OF COUNTIES
EXECUTIVE COMMITTEE
April 16, 2020

Zoom: <https://us04web.zoom.us/j/156934116?pwd=dXlOdUZDTFd6Y2FFb3VmTkJVM3prUT09>
Conference Line: (669) 900-6833
Meeting ID: 156 934 116 | Password: 022661

MINUTES

1. Roll Call

OFFICERS

Lisa Bartlett | *President*
James Gore | *1st Vice President*
Ed Valenzuela | *2nd Vice President*
Virginia Bass | *Immediate Past President*

CSAC STAFF

Graham Knaus | *Executive Director*
Manuel Rivas, Jr. | *Deputy Executive Director,
Operations & Member Services*
Darby Kernan | *Deputy Executive Director,
Legislative Services*

ADVISORS

Bruce Goldstein | *County Counsels Association,
Sonoma County*
Carmel Angelo | *Mendocino County CEO, California
Association of County Executives, President*

SUPERVISORS

Keith Carson | *Alameda County*
Greg Cox | *San Diego County*
Carole Groom | *San Mateo County*
Kelly Long | *Ventura County*
Mark Ridley-Thomas | *Los Angeles County (absent)*
Chuck Washington | *Riverside County*
Bob Elliott | *San Joaquin County (absent)*
Luis Alejo | *Monterey County*
Erin Hannigan | *Solano County*
Leonard Moty | *Shasta County*
Diane Dillon | *Napa County*
Craig Pedersen | *Kings County*
Terry Woodrow | *Alpine County*
Jeff Griffiths | *Inyo County*

EX OFFICIO MEMBER

Ed Scofield | *Treasurer, Nevada County*

2. Approval of Minutes from January 16, 2020

Supervisor Chuck Washington from Riverside County requested that we remove the sales tax reference from our meeting notes as it was under consideration by the County Transportation Commission, not by Riverside County.

A motion to approve the meeting minutes as modified was made by Supervisor Washington; second by Supervisor Hannigan. Motion carried unanimously.

3. COVID-19 Pandemic Crisis Update/Discussion

Graham Knaus addressed the Executive Committee to provide an update on CSAC's work surrounding the COVID-19 pandemic. All priorities have changed as a result of COVID-19 and we have been working with the Officers to outline a new approach. The Governor has issued nearly 50 Executive Orders and CSAC has been sending nightly updates to all Supervisors, CAO's and lobbyists in the state. CSAC continues to work on advocacy at both the state and federal level. The Officers recently met with the Governor to discuss property tax deadlines, homelessness and what's needed to continue operations at the local level. CSAC now has weekly meetings with the Governor's office.

Joe Krahn of Paragon Government Relations provided a federal update to the Executive Committee. He reported that Congress is doing twice a week pro forma sessions, which means everything must move by unanimous consent. There have been three rounds of federal assistance for states and local governments and there might be a 4th phase infrastructure packet. Tom Joseph discussed an increase in SNAP benefits, Federal Medicaid, Foster Care FMAP and hospital funding. Hasan Sarsour discussed the leave provisions included in the 2nd Coronavirus package and a provision that allows for a refundable tax credit that's only available to the private sector. He noted that there is bipartisan support to push back on this exclusion and they hope it can be addressed in the next package that's released.

Sara Floor, CSAC's Communications Manager, presented on CSAC communications during the COVID-19 pandemic. Ms. Floor explained that the overriding goals of CSAC's communication strategy have not changed; they remain to position counties as front line service providers, tell the county story and support federal and state advocacy efforts. Media interest has been up over 600% over the past three weeks. The communications team has been busy compiling resources on the COVID-19 response. They have developed a page on the CSAC website that compiles state and federal resources and contains over 200 links. They have also developed an interactive map that links to county public health and shelter in place orders. There were 40,000 visits to that resource page in its first week alone.

Josh Gauger, Legislative Representative for Administration of Justice, presented on three pandemic related issues they have been working on 1) new judicial council rule on zero dollar bail 2) travel trailers 3) hotel/motel leases. Mr. Gauger highlighted one of the key differences between zero dollar bail and no bail is that zero dollar bail includes conditions. With regards to travel trailers, the 1300 available trailers were originally to be distributed to counties that had a big 13 city within it, then counties were to coordinate with cities on placement and services. The state has begun working on trailer requests outside of this initial group. He noted that counties are making good progress on the difficult and challenging implementation of hotel/motel leases.

Chris Lee, Legislative Representative for Housing, Land Use and Transportation, addressed the Executive Committee. They have been in communication with planning directors looking for opportunities for regulatory relief. On the public works side, they have weekly calls where they share best practices counties with about 30 counties participating. The major issue for transportation is the expected drop in gas tax revenue. They are expecting about a 40% reduction in fuel tax revenue and are working at how to mitigate that loss. They are lining up asks for when infrastructure is on the table at the federal level. Currently, almost all tribal casinos, with only a couple exceptions, are closed.

Justin Garrett, Legislative Representative for Human Services, presented to the Executive Committee on the COVID-19 response. They are currently focusing on two main areas: 1) changes to in-person requirements, specifically removing face to face application and signature requirements and 2) securing new funding for the increased workload and service requirements put on counties during this time. They are also working on securing additional funding for child care for essential workers.

Farrah McDaid-Ting, Legislative Representative for Health and Human Services, addressed the Executive Committee and shared several key items they have been working on. The first is the CalAIM Proposal. DHCS is postponing CalAIM implementation to allow counties to focus on and use their limited resources to address COVID-19. That means that California needs an extension on two important federal waivers, the section 1115 Medicaid waiver and the section 1915(b) Specialty Mental Health Services waiver, both that were set to expire this year. Another focus is on the declining revenue for county-run mental health services programs. This decline is largely a result of

people not attending in-person appointments as many programs don't draw down federal funding unless they are billing for visits. Another big issue in public health is when to re-open. The Governor has issued a statewide stay at home order, but many counties have local health officer orders that are more strict. CSAC wants to work closely with the administration to avoid confusion between local, state and federal orders.

Geoff Neill, Legislative Representative for Government, Finance and Administration, presented to the Executive Committee on several key items: property taxes, sales taxes and the November elections. CSAC worked closely with the Governor to ensure that the April 10th property tax deadline was not extended. Counties participating in the Teeter Plan are also concerned that they will not be repaid for loans if property tax collections come in lower than usual. CSAC is working with the administration and other stakeholders to ensure that counties can successfully navigate these challenges without experiencing cash flow issues. With regards to sales tax, there has been a considerable decline in sales tax revenue. The Governor extended the filing deadline from April to July and announced a layaway plan for small business to defer sales tax payments. These extensions delay funding for counties and cause uncertainty as counties enter their budgeting process. Mr. Neill also referenced a letter from the California Association of Clerks and Election Officials that was sent to the Governor's office earlier this week. The letter asked for the November election to be held mostly by mail with considerable local flexibility and requested upfront funding to help finance this effort.

Napa County Supervisor Diane Dillon shared the following AEI report by Dr. Gottlieb:
<https://www.aei.org/research-products/report/national-coronavirus-response-a-road-map-to-reopening/>

Sonoma County Supervisor James Gore shared the following chart: When and How to Open After COVID-19: https://preventepidemics.org/wpcontent/uploads/2020/04/COV020_WhenHowLoosenFaucet_v4.pdf

4. County Fiscal Stability and Budget Needs

Graham Knaus presented CSAC's County Fiscal Stability and Budget needs letter to the Executive Committee. This letter highlights several concerns for state budget related advocacy: 1) Realignment Revenue 2) Backfill sales tax lay-away program 3) Executive Order on property tax delinquencies 4) Opt out of Teeter Plan and 5) Cash flow assistance (letter attached).

5. Consideration of Updated 2019-2020 Board of Directors Nominations

The CSAC Constitution indicates that each county board shall nominate one or more directors to serve on the CSAC Board of Directors to serve a one-year term commencing with the Annual Meeting. The CSAC Executive Committee appoints one director for each member county from the nominations received. For counties that did not submit nominations prior to the Annual Meeting, the appointed supervisor from the preceding year will continue to serve until such county board nominates, and the Executive Committee appoints, a supervisor to serve in the CSAC Board.

On December 4, 2019, and January 16th, 2020, the Executive Committee approved the nominations for the 2019-2020 CSAC Board of Directors. We received additional nominations from 7 counties that require the Executive Committee approval: Madera, San Benito, San Bernardino, San Luis Obispo, Santa Barbara, Sierra and Sutter.

A motion to approve the Updated 2019-2020 Board of Directors Nominations was made by Supervisor Long; second by Supervisor Washington. Motion carried unanimously.

6. Consideration of the CSAC 2022 Annual Meeting

Manuel Rivas, Jr. Deputy Executive Director of Operations and Member Services, addressed the Executive Committee and presented CSAC's recommendation for the 2022 Annual Meeting site. The site selection process for the 2022 Annual Meeting included RFPs from various venues in Southern California counties, including Los Angeles, Orange, Riverside, San Bernardino, Santa Barbara, San Diego and Ventura. Proposals from venues in the following counties met our site selection policy: Orange, Riverside and San Bernardino.

Based on our parameters and our previous experience with this venue, CSAC recommends approval of the 2022 CSAC Annual Meeting to be held in at the Disneyland Hotel in Orange County. The other counties that submitted proposals that did not meet established criteria were not selected.

A motion to approve the location of the CSAC Annual Meeting was made by Supervisor Griffiths; second by Supervisor Valenzuela. Motion carried unanimously.

7. Consideration of the CSAC Budget for FY 2020-21

Supervisor Ed Scofield, CSAC Treasurer, presented CSAC's FY 2020-21 Budget to the Executive Committee. Supervisor Scofield expressed that the budget is solid, especially considering the current COVID-19 crisis. The FY 2020-21 budget aligns expenditures with projected revenues and allows CSAC to continue protecting and advocating for all 58 counties. As a result of major policy changes implemented over the last few years, CSAC has strengthened accounting controls, built up operational reserves and created a capital improvement fund through steady annual contributions. Supervisor Scofield highlighted that this budget does not increase membership dues for the 7th consecutive year. This budget also contributes \$250,000 to the Capital Improvement Fund, establishes an appropriation of 5% of revenues and contributes \$496,000 as a contingency margin to help address potential impacts from an economic recession or unforeseen emergency. Supervisor Scofield also noted that CSAC is presenting the salary schedule for approval, with minor changes. CALPERS requires approval of the salary schedule as CSAC participates in the San Bernardino Retirement System.

A motion to approve CSAC Budget for FY 2020-21 was made by Supervisor Cox; second by Supervisor Long. Motion carried unanimously.

8. Consideration of County Priorities for MHSA Modernization

President Bartlett, Chair of the MHSA Working Group, addressed the Executive Committee and explained the need for modernization of the MHSA to allow for more flexibility.

Farrah McDaid-Ting, Legislative Representative for Health and Human Services, explained that the MHSA working group was formed out of a vote from the CSAC Board of Directors last December. The group consists of County Supervisors, Behavioral Health Directors and County Administrators. The MHSA document included in our meeting packet outlines seven strategies the MHSA Working Group would like to pursue to modify the MHSA to make it work better for counties and allow more flexibility. The goal is to gain MHSA flexibility through the legislation and not via a statewide ballot.

A motion to approve the County Priorities for MHSA Modernization was made by Supervisor Bartlett; second by Supervisor Valenzuela. Motion carried unanimously.

9. CSAC Finance Corporation Report

Supervisor Leonard Moty, President of the CSAC Finance Corporation (CSAC FC) addressed the Executive Committee. He presented that the Finance Corporation canceled their April Conference due to the COVID-19 pandemic. Instead they held a teleconference meeting where the board approved the FY 2020-21 budget. He believes the budget is stable and consistent with what they think they can provide to CSAC, but they do anticipate possible issues as the COVID-19 crisis moves forward. They have slightly reduced the corporate associates program contribution, assuming businesses may be affected by pandemic and may not be able to fully participate. They plan to have a budget review at their September conference to see if any adjustments need to be made.

Smart Easy Pay continues to do well. Supervisor Moty highlighted that this program has been beneficial for Kings County since their offices have been shut down. They are finalizing NACO participation in this program; NACO is purchasing 10% of the equity making them a partner.

10. CSAC Legislative Update, State & Federal Priorities

Darby Kernan, CSAC Deputy Executive Director of Legislative Affairs, discussed the upcoming hearings by the Senate and Assembly. Ms. Kernan will be testifying at today's Senate Budget Committee hearing on behalf of CSAC about the overall response to COVID-19. Her testimony will focus on the fact that counties are on the front lines responding to this crisis. Counties are spending money at a rapid rate to make sure people are getting the services they need. We're trying to keep the legislature and the administration focused that counties are the service providers.

11. Executive Committee Roundtable

Supervisor Luis Alejo / Monterey County – Supervisor Alejo expressed gratitude for the Governor's \$75 million dollar relief fund for undocumented workers during the COVID-19 crisis. He also thanked CSAC for providing a forum for Supervisors to raise their concerns.

Supervisor Erin Hannigan / Solano County – Supervisor Hannigan thanked CSAC for being a resource and her fellow Supervisors for sharing best practices.

Supervisor Leonard Moty / Shasta County – Supervisor Moty explained that there is frustration from rural counties because they want to open sooner than the state is allowing.

Supervisor Terry Woodrow / Alpine County – Supervisor Woodrow expressed concern over the numerous groups coming into Alpine County to recreate. Alpine County is one of three counties requesting postponement of opening day of trout season. They only have one positive COVID-19 case.

Supervisor Jeff Griffiths / Inyo County – Supervisor Griffiths said his community is concerned with large groups of people coming into the county to recreate. They have small hospital and 17 positive cases. While their county loves visitors, he emphasized that now is not the time to recreate there.

Supervisor Ed Scofield / Nevada County – Supervisor Scofield has been dealing with golf courses, which have become quite controversial. He agrees that a reopening plan will be essential. Nevada County started a community fund and allocated \$100,000 to help support non-profits and small businesses.

Supervisor Craig Pedersen / Kings County – Kings County currently has 13 COVID-19 cases, 1 death and 2 hospitalizations. Supervisor Pedersen believes it will be difficult to set a number across the state for all counties to follow.

Supervisor Virginia Bass / Humboldt County – Supervisor Bass thanked CSAC staff for their hard work. Humboldt County went from one positive COVID-19 case to forty-three due to a travel group that came back from Mexico. 91% of Humboldt County properties paid their property taxes on time but that only represents 78% of the dollars they need to collect.

Supervisor Ed Valenzuela / Siskiyou County – Supervisor Valenzuela thanked CSAC staff for creating a great budget for FY 2020-21. Siskiyou County is experiencing a large influx of travelers and they hope they can accommodate them. They currently have only five COVID-19 cases.

Supervisor James Gore / Sonoma County – Sonoma County is struggling with the transition from modeling to actual data. Like other counties, they are competing with non-profits and the private sector to get testing supplies and PPE.

Supervisor Lisa Bartlett / Orange County – Supervisor Bartlett expressed that our response to COVID-19 needs to be data driven. Orange County is working on getting one of the three FDA approved antibody tests.

12. Closed Session

The Executive Committee unanimously affirmed Graham Knaus' appointment to the Smart Easy Pay Board of Directors.

Meeting was adjourned. The next Executive Committee meeting will be held on August 6, 2020.