

CALIFORNIA STATE ASSOCIATION OF COUNTIES
EXECUTIVE COMMITTEE
Thursday, April 17, 2014
10:00am - 2:00pm
CSAC Conference Center, Sacramento

A G E N D A

Note: Agenda times are approximate. Matters may be taken up earlier than the published time.

Presiding: John Gioia, President

- | | | |
|---------|--|---------|
| 10:00am | PROCEDURAL ITEMS | |
| 1. | Roll Call | Page 1 |
| 2. | Approval of Minutes of January 16, 2014 | Page 2 |
| 10:15am | ACTION ITEMS | |
| 3. | Consideration of Proposed CSAC Budget for FY 2014-15 | Page 6 |
| | ▪ <i>Matt Cate, CSAC Executive Director</i> | |
| | ▪ <i>Supervisor Kim Vann, CSAC Treasurer</i> | |
| 4. | Consideration of Proposed Litigation Coordination
Program Budget for FY 2014-15 | Page 11 |
| | ▪ <i>Jennifer Henning, County Counsel's Assoc. Executive Director</i> | |
| 5. | SB 1129 (Steinberg): Redevelopment Successor agencies | Page 21 |
| | ▪ <i>Jean Kinney Hurst, CSAC staff</i> | |
| 11:00am | INFORMATION ITEMS | |
| 6. | CSAC Administration of Justice Policy Committee Report | Page 24 |
| | ▪ <i>Supervisor Federal Glover, Policy Committee Chair</i> | |
| 7. | Realignment Allocation Committee Update | Page 25 |
| | ▪ <i>David Twa, CAOAC President</i> | |
| | ▪ <i>Elizabeth Howard Espinosa, CSAC staff</i> | |
| 8. | CSAC Priorities and the May Revise | Page 26 |
| | ▪ <i>DeAnn Baker & CSAC Advocacy staff</i> | |
| 9. | CSAC Legislative Update | |
| | ▪ <i>DeAnn Baker & CSAC Advocacy staff</i> | |
| 10. | CSAC Corporate Partners Program Update | Page 29 |
| | ▪ <i>Jim Manker, CSAC staff</i> | |
| 11. | Other Items | |
| 12:00pm | LUNCH WITH CSAC FINANCE CORP. BOARD MEMBERS | |

12:30pm JOINT SESSION WITH CSAC FINANCE CORP. BOARD MEMBERS

12. Overview of CSAC Finance Corp. Programs
- *Mark Saladino, Finance Corp. President*
 - *Nancy Parrish, Finance Corp. Executive Director*

separate
enclosure

13. Discussion and Potential Action on Future of CSAC & CSAC Finance Corp. Relationship
- *President Gioia*

2:00pm ADJOURN

Note: The next Executive Committee meeting will be held on August 7, in Long Beach, Los Angeles County, CA

CALIFORNIA STATE ASSOCIATION OF COUNTIES
EXECUTIVE COMMITTEE
2014

President:	John Gioia, Contra Costa
1 st Vice President:	Vito Chiesa, Stanislaus
2 nd Vice President:	Richard Forster, Amador
Immed. Past President:	David Finigan, Del Norte

Urban Section

Federal Glover, Contra Costa
Don Knabe, Los Angeles
Kathy Long, Ventura
John Moorlach, Orange
John Tavaglione, Riverside
Ken Yeager, Santa Clara
Keith Carson, Alameda (alternate)

Suburban Section

Susan Adams, Marin
Bruce Gibson, San Luis Obispo
Henry Perea, Fresno
Linda Seifert, Solano (alternate)

Rural Section

Virginia Bass, Humboldt
Robert Williams, Tehama
Kim Dolbow Vann, Colusa (alternate)

Advisors

David Twa, CAOAC Advisor, Contra Costa
James Fincher, County Counsel Advisor, Merced

CALIFORNIA STATE ASSOCIATION OF COUNTIES
EXECUTIVE COMMITTEE

January 16, 2014
CSAC Conference Center, Sacramento

MINUTES

Presiding: John Gioia, President

1. INTRODUCTION OF NEW EXECUTIVE COMMITTEE MEMBERS

President Gioia introduced new Executive Committee members for 2014. They are Virginia Bass from Humboldt, Ken Yeager from Santa Clara and Linda Seifert from Solano. The new county counsel advisor is James Fincher from Madera and the new CAOAC advisor is David Twa from Contra Costa.

2. ROLL CALL

John Gioia, President
Vito Chiesa, 1st Vice. Pres.
Richard Forster, 2nd Vice. Pres.
David Finigan, Immed. Past Pres.
Federal Glover, Contra Costa
Kathy Long, Ventura (via audio)
John Moorlach, Orange (via audio)
John Tavaglione, Riverside
Ken Yeager, Santa Clara
Keith Carson, Alameda, alternate

Susan Adams, Marin
Bruce Gibson, San Luis Obispo
Henry Perea, Fresno
Virginia Bass, Humboldt
Robert Williams, Tehama
Kim Dolbow Vann, Colusa, alternate
Advisors: David Twa & James Fincher

3. MINUTES OF OCTOBER 10-11, 2013

The minutes of October 10-11, 2013 were approved following the correction of two spelling errors.

4. REPORT ON GOVERNOR'S BUDGET FOR 2014-15

Michael Cohen, Director of CA Department of Finance, provided an overview of the Governor's proposed budget for FY 2014-15. This budget contains a surplus that the Governor proposes to use to repay the state's existing liabilities, including eliminating school deferrals, making a deposit to the state's Rainy Day Fund, paying off the Economic Recovery Bonds early, and investments in the state's infrastructure.

Diane Cummins, Special Advisor to the Governor, outlined the public safety portion of the Governor's budget. Among the key new initiatives and notable proposed policy changes are: an additional \$500m in state lease revenue bonds for local facility construction; a requirement that county felony jail sentences be "split", unless the court makes a finding that a straight sentence is more appropriate; a cap on long-term jail sentences; reduced fire camp rate; \$128m

in continued community correction program funding; an additional one-year appropriation to fund grants that support the work of local Community Correction Partnerships (CCPs); AB 109 allocation approach that supports local control and flexibility; updated growth estimates for 2011 realignment; and SB 105 stakeholder meetings to discuss mental health and substance use disorder treatment in the community and finding ways to incentivize use of split sentences, among other things.

5. DISCUSSION OF BUDGET IMPACTS ON COUNTIES

Staff outlined CSAC's response to the Governor's proposed budget as contained in the *Budget Action Bulletin* which was distributed to Board members. Staff noted that the proposed budget highlights a litany of existing risks to the state's delicate fiscal balance, including a modest economic recovery, federal fiscal challenges, the volatility associated with increased capital gains revenue, a court-ordered prison population cap, continuing litigation on redevelopment dissolution, the potential for health care inflation, the Wall of Debt and other long-term liabilities.

Staff also distributed a memo that details the Governor's proposal to pay down about \$11.8b of budget debts that the General fund has accrued during the past decade, also known as the "Wall of Debt".

6. APPOINTMENT OF CSAC TREASURER, NACo BOARD & WIR REPRESENTATIVES

The Executive Committee was asked to approve Officer recommendations for the following 2014 appointments:

CSAC Treasurer - Supervisor Kim Vann, Colusa County

NACo Board of Directors - Supervisors Keith Carson, Alameda County and Richard Forster, Amador County

NACo Western Interstate Region (WIR) Board - Supervisor David Finigan, Del Norte County. Supervisor Kevin Cann from Mariposa was appointed by RCRC to also serve on the WIR Board.

Motion and second to approve CSAC appointments as noted above.

Motion carried unanimously.

7. APPOINTMENT OF CSAC POLICY COMMITTEE CHAIRS AND VICE CHAIRS FOR 2014

The Executive Committee was asked to approve Officer recommendations for the following 2014 CSAC Policy Committee Chairs and Vice Chairs:

ADMINISTRATION OF JUSTICE

Federal Glover, Contra Costa, Chair

John Viegas, Glenn, Vice Chair

AGRICULTURE, ENVIRONMENT AND NATURAL RESOURCES

Linda Seifert, Solano, Chair

Judy Morris, Trinity, Vice Chair

GOVERNMENT FINANCE & OPERATIONS
Bruce Gibson, San Luis Obispo, Chair
Bruce McPherson, Santa Cruz, Vice Chair

HEALTH & HUMAN SERVICES
Kathy Long, Ventura, Chair
Ken Yeager, Santa Clara, Vice Chair

HOUSING, LAND USE AND TRANSPORTATION
Phil Serna, Sacramento, Chair
Susan Adams, Marin, Vice Chair

Motion and second to approve 2014 CSAC Policy Committee chairs and vice-chairs as noted above. Motion carried unanimously.

8. SCA 3 BALLOT MEASURE

SCA 3 is a measure slated for the June 2014 ballot which would amend the California Constitution to enshrine provisions of both the California Public Records Act and the Brown Act within it and exclude from reimbursement those statutory changes to the Acts that constitute mandates. Details of the measure were contained in the briefing materials.

Supervisor Gibson, Chair of the CSAC Government Finance & Operations Policy Committee, presented this item for consideration. The CSAC Board of Directors previously considered the item at its November meeting and voted to refer it to the Executive Committee for a position.

The consensus of the Executive Committee was to take no position on SCA 3 and direct staff to issue a statement indicating that counties believe in transparency in government, but also list the consequences of SCA 3.

9. STATE AND FEDERAL LEGISLATIVE PRIORITIES FOR 2014

Staff outlined the draft 2014 State and Federal Legislative Priorities, as contained in the briefing materials.

Motion and second to approve the draft 2014 CSAC State and Federal Legislative Priorities as presented and recommend adoption by the Board of Directors. Motion carried unanimously.

10. CSAC FINANCE CORP. REPORT & NOMINATION OF MEMBER TO FINANCE CORP. BOARD

Nancy Parrish, CSAC Finance Corp. Executive Director, announced two new programs being offered through the Finance Corp. They are: Medcor, which provides onsite health clinics for county employees; and ExtendHealth, which offers Medicare eligible retirees a wide array of health plans to choose from at

significantly lower costs than they currently pay to participate in county group plans.

It was requested that the Executive Committee nominate potential replacements for the position on the Finance Corporation Board recently vacated by Mike McGowan. The CSAC Officers recommended that Supervisors David Finigan and Richard Forster be considered by the Finance Corporation Board for the position.

Motion and second to nominate Supervisors Finigan and Forster for consideration by the Finance Corporation Board to fill the position vacated by Mike McGowan. Motion carried unanimously.

11. CSAC CORPORATE PARTNERSHIP UPDATE

Staff reported that exhibit hall revenues were above projections for the CSAC Annual Meeting held last November in San Jose. There were 72 exhibitors and the goal for 2014 is 100. Plans are underway for the Premier/Executive Partner forum in San Diego on February 5-6. The briefing materials contained a current list of corporate members.

12. OTHER ITEMS

Mike McGowan, the new Deputy Director for Strategic Planning at DMV, addressed the committee and indicated his first project will be implementing AB 60, the law that now allows for undocumented drivers to carry licenses.

Informational reports on the CSAC Litigation Coordination program and the CSAC Institute for Excellence in County Government were contained in the briefing materials.

Meeting adjourned.



March 31, 2017

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To: CSAC Officers
CSAC Executive Committee

From: Kim Vann, CSAC Treasurer
Matt Cate, Executive Director

As Treasurer of CSAC, I present to you the proposed budget for the 2014-15 fiscal year. In conjunction with the Executive Director, Matt Cate, the attached revenue and spending plan for the upcoming year is hereby submitted for your approval.

Recommendation: Adopt the proposed FY 2014-15 CSAC budget and forward to the Board of Directors for their consideration at the Legislative Conference.

The budget presented today reflects the expenditures needed to advance CSAC's mission of serving California's 58 counties through effective advocacy, training, and member services programs. Last year, for the first time since 2008, this body adopted a budget that included a dues increase designed to allow CSAC to address new work-loads in the areas of Public Safety Realignment, the Affordable Care Act and litigation. We believe the additional investment by counties has paid off, not only in concrete wins at the budget negotiation table, but also in terms of solidifying our position as the state's preeminent source of public policy expertise and influence on issues of concern to local government. This year, we are striving to take full advantage of this momentum to address the multitude of issues still facing our members, including a slowly recovering economy, public safety, transportation, health care and the environment.

On the administrative side of the house, the budget reflects a number of cost saving measures which we deem prudent, given a somewhat difficult financial forecast. The main cause of our concern is the lack of an anchor tenant at the Pyramid building. CSAC's commercial broker has yet to secure a restaurant tenant to replace the Pyramid Brewing Company and the rest of the building is 70% vacant. This budget anticipates acquiring a tenant during the fiscal year, but it also anticipates significant expenditure for tenant improvements. Further, we have been advised by the CSAC Finance Corporation that we should not expect any growth in net revenue to CSAC in the 2014-15 fiscal year.

Highlights of the proposed CSAC FY 2014-15

Revenues

- Corporate Associates is expected to generate an additional \$100,000 net revenue.
- Finance Corporation estimated contribution remains unchanged at \$3.3 million.

- Pyramid building remains at 30% occupancy.
- Anticipates 6 month rent in restaurant space- \$80,000.
- Expansion of CSAC Institute program in San Diego -\$18,000.
- Increased revenues for Annual Meeting due to venue -\$45,000.

Expenses

- Tenant improvements estimate of \$250,000.
- Annual Meeting costs reduced by \$170,000.
- Add video editing and webinar staff person to communications department. Eliminates need for independent contractor resulting in a net savings.
- CSAC staff salary budget will remain constant with no anticipated increases or raises unless revenue figures improve.
- CSAC staff contribution to SBCERA will increase 1% -saving \$27, 813.
- Reduction in support of local government educational grants \$50,000.
- Costs reduced in legislative bill service of \$15,000.

The cost containment measures outlined here will result in a balanced budget for the coming year.

**California State Association of Counties
Budget FY 14-15**

	Projected 2013/14 FY 13-14	Budget FY 13-14	Proposed Budget FY 14-15
Revenues:			
Membership Dues	3,390,506	3,430,506	3,430,506
Finance Corp Participation	3,300,000	3,300,000	3,300,000
Rental and Parking Income	606,055	804,385	677,270
Administrative Miscellaneous	488,566	505,000	492,500
CSAC Conferences	324,645	315,000	360,000
CEAC	147,395	139,395	142,880
Corporate Associates	729,050	679,500	846,000
CSAC Institute	<u>164,956</u>	<u>175,000</u>	<u>202,930</u>
Total Revenues	9,151,173	9,348,786	9,452,086
Expenditures:			
Salaries/Benefits	5,212,406	5,346,668	5,506,940
Staff Outreach	102,230	100,500	100,500
Leadership Outreach	95,056	85,000	85,000
NACo Meetings & Travel	94,803	68,000	77,500
Public Affairs/Communications	61,332	55,200	48,500
CSAC Conferences	613,988	616,786	547,645
Facilities	876,304	894,802	1,039,159
Office Operations	543,653	611,599	616,145
Donations	42,500	100,000	50,000
CEAC	137,208	139,395	142,796
Outside Contracts	439,173	410,000	445,300
Corporate Associates	478,098	497,131	440,514
CSAC Institute	<u>230,619</u>	<u>234,028</u>	<u>314,716</u>
Total Expenditures	8,927,369	9,159,109	9,414,715
PROFIT/(LOSS)	223,804	189,677	37,371

ACCOUNT EXPLANATIONS -
BUDGET YEAR 14-15

14/15 Budget

ACCT#	EXPLANATION
INCOME:	
MEMBERSHIP DUES	ANNUAL DUES FROM COUNTIES. NO INCREASE SCHEDULED THIS YEAR.
FINANCE CORP PARTICIPATION	CSAC FINANCE CORPORATION CONTRIBUTIONS TO CSAC.
RENTAL & PARKING INCOME	RENTAL INCOME FOR 1100 K STREET AND 1029 K STRE ALSO INCLUDES 53 PARKING SPACES FOR STAFF AND TO RENT, AND RENTAL FEES FOR CSAC CONFERENCE CENTER.
ADMINISTRATIVE MISCELLANEOUS	1) ADMINISTRATION FEES COLLECTED FROM CSAC AFFILIATES FOR PAYROLL AND BENEFIT SERVICES. 2) SALES FOR CSAC ROSTERS, MAILING LIST AND LABELS. 3) PRINTING AND COPYING REVENUE GENERATED FROM THE CSAC PRINT SHOP. 4) INTEREST INCOME FROM CHECKING ACCTS AND CALTRUST ACCOUNTS. 5) CONTRACT FOR COMPUTER SERVICES WITH LA COUNTY. 6) SOFT DRINK COMMISSIONS AND FEES FROM JOB ADVERTISING ON CSAC WEE
CSAC CONFERENCES	REGISTRATION FEES FOR CSAC ANNUAL CONFERENCE AND LEGISLATIVE CONFERENCE.
CEAC	CEAC CONTRACT.
CORPORATE ASSOCIATES	CORPORATE ASSOCIATES MEMBERSHIP DUES AND SPONSOR REVENUES FOR ANNUAL CONFERENCE AND OTHER EVENTS. EXHIBITOR FEES.
CSAC INSTITUTE	REGISTRATION REVENUE.
EXPENSES:	
SALARIES/BENEFITS	1) SALARIES REFLECTS NO MERIT INCREASE. 2) EMPLOYEES THAT ARE TIER 1 ARE CURRENTLY PAYING 18-20% OF EMPLOYEE PORTION OF SBCERA, TIER 2 PAY 100% OF EMPLOYEE PORTION. 3) BENEFITS TO INCLUDE HEALTH, DENTAL, VISION, LIFE AND WORKERS COMP. 4) PAYROLL TAX 5) AUTO ALLOWANCE 6) ANNUAL EMPLOYEE WORKSHOP
STAFF OUTREACH	INCLUDES ALL IN AND OUT-OF-TOWN BUSINESS EXPENSES FOR LEGISLATIVE AND ADMINISTRATIVE STAFF.
LEADERSHIP OUTREACH	ALL BUSINESS EXPENSES FOR CSAC BOARD OF DIRECTORS, EXECUTIVE COMMITTEE AND OFFICERS.

ACCOUNT EXPLANATIONS -
BUDGET YEAR 14-15

ACCT#	EXPLANATION
NACO MEETINGS & TRAVEL	COSTS ASSOCIATED FOR ALL LEGISLATIVE, ADMINISTRATIVE STAFF AND BOARD MEMBERS TO ATTEND NACO SUPPORTED EVENTS.
PUBLIC AFFAIRS/COMMUNICATIONS	1) ALL COSTS ASSOCIATED WITH PRODUCING & DISTRIBUTING THE ROSTER 2) CHALLENGE AWARDS 3) LEGISLATIVE BULLETIN 4) WEB SITE 5) WRITTEN, AUDIO AND VIDEO COMMUNICATIONS
CSAC CONFERENCES	ALL COSTS ASSOCIATED WITH LEGISLATIVE AND ANNUAL CONFERENCE. ALSO INCLUDES MEETING PLANNER'S SALARY AND BENEFITS.
FACILITIES	ALL COSTS ASSOCIATED WITH THE MAINTENANCE OF 1100 K STREET AND 1029 K STREET. COSTS INCLUDE REPAIRS, UTILITIES, PHONES, INSURANCE, JANITORIAL, DEBT SERVICE AND PROPERTY TAXES. ONE TIME COST OF \$250,000 INCLUDED IN PROPOSED BUDGET FOR TTS FOR VACANT RESTAURANT SPACE.
OFFICE OPERATIONS	ALL COSTS ASSOCIATED WITH OPERATIONS SUCH AS 1) CELL PHONES 2) MEMBERSHIP FEES 3) OFFICE SUPPLIES 4) POSTAGE/DELIVERY 5) R&M AND PURCHASES OF COMPUTERS AND EQUIPMENT 6) COPIERS AND BUSINESS EQUIPMENT 7) CSAC RENT
DONATIONS	CONTRIBUTIONS TO CCSP AND ILG.
CEAC	CEAC EXPENDITURES
OUTSIDE CONTRACTS	LEGAL CONSULTING, ACCOUNTING SERVICE AND PROFESSIONAL SERVICES SUCH AS WATERMAN CONTRACT.
CORPORATE ASSOCIATES	ALL COSTS ASSOCIATED WITH RUNNING CORPORATE ASSOCIATES PROGRAM INCLUDING SALARY AND BENEFITS FOR PROGRAM MANAGER.
CSAC INSTITUTE	ALL COSTS ASSOCIATED WITH RUNNING AND IMPLEMENTING THE CSAC INSTITUTE.



County Counsels' Association of California

BOARD OF DIRECTORS

Officers

President

Thomas E. Montgomery
San Diego County

Vice-President

Charles J. McKee
Monterey County

Secretary-Treasurer

Vacant

Immediate Past President

James N. Fincher
Merced County

Historian (Nonvoting)

Marshall Rudolph
Mono County

Directors

Bruce D. Goldstein
Sonoma County
2012-2014

Bruce S. Alpert
Butte County
2012-2014

Donna R. Ziegler
Alameda County
2013-2015

Colleen J. Carlson
Kings County
2013-2015

EXECUTIVE DIRECTOR

Jennifer B. Henning

MEMORANDUM

**To: Supervisor John Gioia, President, and
Members of the CSAC Executive Committee**

From: Jennifer Henning, Litigation Coordinator

Date: April 17, 2014

Re: 2013-2014 Litigation Coordination Budget

Recommended Action:

Recommend adoption of the 2014-2015 Litigation Coordination Program budget to the CSAC Board of Directors.¹

Reason for Recommendation:

The County Counsels' Association's Board of Directors recommends that Litigation Coordination Program staff receive salary increases of 2% this fiscal year. This budget accounts for that increase, along with increases in health and retirement costs, and costs associated with our new part-time attorney. With the proposed salary increases, the Litigation fee will increase by 9.5% (\$1,630 for the largest counties). Without the salary increases, the Litigation fee would need to be increased by 8% (\$1,372 for the largest counties) in order to avoid Program cuts.

Background:

The Litigation Coordination Program is an important service provided by CSAC to its members. The Program allows counties to save litigation costs by coordinating in multi-county cases, and by sharing information and resources. The Program also filed *amicus curiae*, or "friend of the court," briefs on CSAC's behalf in State and federal appellate cases in order to advance the interest of all counties in the courts.

The Litigation Coordination Program is funded through a fee administered and collected directly by CSAC. The fees are held in a separate fund and used to

¹ The County Counsels' Association's Board of Directors tentatively approved the budget on January 16, 2014, and will consider the budget for final approval on April 9, 2014.

April 17, 2014

pay for costs of the Program, including 80% of the Litigation Coordinator's salary, a portion of the County Counsels' Association's office space, and other expenses associated with operating the Program.

The Program has operated during the last five years without minimal fee increases by:

- leaving a position vacant following a staff retirement,
- shifting a portion of staff costs to the County Counsels' Association's budget,
- holding staff salaries flat for two out of the last three years, and
- negotiating a reduction in office lease space.

The proposed budget allows the Program to keep up with rising costs, and accommodate certain expenses related to the part-time attorney that was hired as part of the agreement between CSAC and the County Counsels' Association for in-house legal services. These costs are largely, but not entirely, offset by a contribution from the CSAC general fund.

The proposed budget does include a 2% salary increase for the Litigation Coordinator. However, even if the salary were to remain flat this year, Program fees would still need to increase by 8% rather than the 9.5 % shown in the proposed budget.

I am keenly aware that our member counties continue to face difficult budget decisions throughout the State. However, the costs of operating the Program are increasing, despite all efforts to keep expenses to a minimum. Further, the demands on the Program continue to grow, particularly during the last year with the expanded in-house legal services contract. If the Program is not fully funded, we will have to make cuts in litigation services at a time when our ability to respond with sound legal advice and coordinated litigation if necessary is most critical.

Conclusion

The proposed 2014-2015 Litigation Coordination Program budget is a responsible budget intended to ensure the Program services continue with as little impact on county revenues as possible. I remain dedicated to this Program and to providing the highest quality legal representation to CSAC in the courts. I appreciate your support of the Litigation Coordination Program, and ask that you recommend approval of the proposed Fiscal Year 2014-2015 Litigation budget to the CSAC Board of Directors.

Attachments:

Proposed Litigation Budget
Litigation Budget Comparison 2012-13 to 2014-15
Proposed 2014-15 Litigation Program Fees

CSAC/County Counsels' Association
LITIGATION COORDINATION PROGRAM
FISCAL YEAR 2014-2015 BUDGET

Approved by Litigation Overview Committee on _____, 2014
 Approved by County Counsels' Association Board of Directors on _____, 2014
 Approved by CSAC Executive Committee on _____, 2014
 Adopted by CSAC Board of Directors on _____, 2014

INCOME:

Membership Dues	367,586.00
Legal Services Contract Fee.....	50,000.00
TOTAL INCOME.....	417,586.00

EXPENSES:

Salaries	\$223,990.00
Retirement.....	83,647.00
Employee Group Insurance.....	62,455.00
Payroll Tax.....	3,121.00
CSAC Administrative Fees.....	12,889.00
Staff Expense and Travel	1,000.00
Communications	800.00
On-Line Expense.....	4,030.00
Membership Fees	990.00
Office Supplies.....	400.00
Postage/Delivery	1,000.00
Printing - Commercial.....	1,500.00
Printing - In House.....	400.00
Leases - Property.....	21,094.00
TOTAL EXPENSES.....	417,516.00
 Projected Revenue Over Expenses	 70.00

LITIGATION COORDINATION PROGRAM
FISCAL YEAR 2014-2015 BUDGET

LITIGATION COORDINATION PROGRAM
Budget Comparison (2012/13-2014/15)
 Prepared for Fiscal Year 2014-2015 Budget

	2012-13 Actual	2013-14 Budget	2013-14 Projected+	2014-15** Budget
INCOME:				
Membership Dues	\$229,362.00	\$335,721.00	\$335,721.00	\$367,586.00 9.5% increase
Misc. Income		0.00	50,000.00	50,000.00
TOTAL INCOME:	\$299,362.00	\$335,721.00	\$385,721.00	\$417,586.00
EXPENSES:				
Salaries*	\$160,753.70	\$164,596.00	\$183,615.00	\$223,990.00
Retirement	67,069.89	74,903.00	75,236.00	83,647.00
Employee Group Insurance	43,646.74	49,542.00	57,850.00	62,455.00
Staff Travel/ Training	991.76	2,100.00	490.00	1,000.00
Law Clerk	0.00	0.00	0.00	0.00
Communications	1,804.82	1,200.00	800.64	800.00
On-Line Expenses	2,444.90	2,130.00	3,334.00	4,030.00
Publications	1,249.39	0.00	200.00	200.00
Membership Fees	485.00	485.00	485.00	990.00
Office Supplies	59.00	400.00	300.00	400.00
Postage/Delivery	539.21	500.00	951.00	1,000.00
Printing- Commercial	1,540.39	2,500.00	1,397.76	1,500.00
Printing – In-House	201.90	450.00	400.00	400.00
Leases – Property	20,096.27	25,000.00	21,094.32	21,094.00
Payroll Tax	2,252.87	2,289.00	3,097.00	3,121.00
Admin Fees	6,674.93	7,283.00	12,453.00	12,889.00
TOTAL EXPENSES	\$309,775.80	\$333,087.00	\$361,703.72	\$417,516.00
Revenues Over/(Under) Expenditures	(10,413.80)	\$2,634.00	\$24,017.28	\$70.00

+ Based on Financial Statements through February 28, 2014

* Includes vacation buyout

** This draft includes a 2% salary, as recommended by the County Counsels' Association Board of Directors

LITIGATION COORDINATION FEES

(Grouped by 2011 Department of Finance population figures.)

Approved by the Litigation Overview Committee on _____.
Approved by the County Counsels' Association Board of Directors on _____.
Approved by the CSAC Executive Committee on _____.
Approved by the CSAC Board of Directors on _____.

(9 counties 1,000,000 or over)

Los Angeles **\$18,786** (currently \$17,156)
San Diego
Orange
Santa Clara
San Bernardino
Riverside
Alameda
Sacramento
Contra Costa

(7 counties 500,000 to 999,999)

Fresno **\$12,522** (currently \$11,436)
San Francisco
Ventura
San Mateo
Kern
San Joaquin
Stanislaus

(12 counties 200,000 to 499,999)

Sonoma **\$6,262** (currently \$5,719)
Santa Barbara
Monterey
Solano
Tulare
Santa Cruz
Marin
San Luis Obispo
Placer
Merced
Butte
Yolo

(7 counties 100,000 to 199,999)

Shasta

\$2,502 (currently \$2,285)

El Dorado

Imperial

Humboldt

Napa

Kings

Madera

(8 counties 50,000 to 99,999)

Nevada

\$1,252 (currently \$1,143)

Mendocino

Sutter

Yuba

Tehama

Lake

Tuolumne

San Benito

(12 counties 10,000 to 49,999)

Siskiyou

\$629 (currently \$574)

Calaveras

Lassen

Amador

Del Norte

Glenn

Plumas

Colusa

Inyo

Mariposa

Trinity

Mono

(3 counties under 10,000)

Sierra

\$212 (currently \$194)

Alpine

Modoc



County Counsels' Association of California

BOARD OF DIRECTORS

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Bruce S. Alpert
Butte County
2012-2014

Donna R. Ziegler
Alameda County
2013-2015

Colleen J. Carlson
Kings County
2013-2015

EXECUTIVE DIRECTOR

Jennifer B. Henning

MEMORANDUM

To: Supervisor John Gioia, President, and
Members of the CSAC Executive Committee

From: Jennifer Henning, Litigation Coordinator

Date: April 17, 2014

Re: Litigation Coordination Program Update

This memorandum will provide you with information on the Litigation Coordination Program's new case activity since your last regular meeting in January 2014.

City of Perris v. Stamper

Previously published at: 218 Cal.App.4th 1104 (4th Dist. Div. 2 Aug. 9, 2013)(E053395), *petition for review granted* (Nov. 13, 2013)(S213468)

This case involves appraisal of land that the city plans to acquire from defendants for a road widening project. The city appraised the property as undevelopable agricultural land, reasoning that since the city would not approve any development for the property unless the owners dedicated the portion needed for the road widening to the city, the land could be used for nothing but agriculture. The owners countered that the dedication requirement should not be considered, and the land should be valued at its highest and best use as light industrial property in calculating what is owed them. The trial court bifurcated the issues, and first determined that the dedication requirement was reasonable, after which the parties settled on the value. The landowner appealed the trial court's ruling on the dedication requirement, and the Fourth District reversed, concluding the issues surrounding the dedication requirement are essential to the determination of "just compensation" and therefore must be decided by a jury. The California Supreme Court has granted review. CSAC will file a letter in support of the city.

County of Riverside v. Public Employment Relations Board

Pending in the Fourth Appellate District, Division Two (filed Jan. 13, 2014)(E060047)

SEIU declared impasse over a single-issue meet and confer dispute with the County of Riverside and requested factfinding under AB 646.

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PERB ordered the factfinding and the county filed this action, challenging both the constitutionality of AB 646 and the scope and applicability of AB 646's post-impassé factfinding procedures. The trial court denied the constitutional challenge, finding the statutes' factfinding procedures "do not sufficiently interfere with the county's Constitutional rights to control and provide for its employees' compensation or money." However, the court ruled in the county's favor on the proper scope and applicability of the law, finding that PERB's interpretation of AB 646 is "clearly erroneous" based on the legislative history of the measure. The court held that the factfinding procedures under AB 646 do not apply to disputes that arise from negotiations on single meet and confer issues arising under a valid MOU. The county has appealed on the constitutional issue, and PERB and SEIU have appealed the county's favorable ruling on the law's scope. CSAC will file a brief in support of Riverside County.

Friends of the College of San Mateo Gardens v. San Mateo County Community College District

Unpublished Opinion of the First Appellate District, 2014 Cal.App.Unpub.LEXIS 6950 (1st Dist. Sept. 26, 2013)(A135892), *petition for review granted* (Jan. 15, 2014)(S214061)

The San Mateo Community College District decided to demolish a building complex and gardens on its campus rather than renovate them. For purposes of CEQA compliance, the District analyzed the proposed demolition in an addendum to an existing mitigated negative declaration, which was prepared for a large campus facility project. Plaintiff brought this action alleging that the demolition was a new project that required a new EIR, rather than an amendment to an existing project. Both the trial court and the Court of Appeal agreed with plaintiff. In an unpublished opinion, the Court of Appeal held that as a matter of law, the demolition is a "new project altogether," not subject to an addendum. Therefore, the court found it requires additional environmental review as a separate, new project rather than a modification to the facilities project. The California Supreme Court granted review. CSAC will file a brief in support of the Community College District.

Gonzalez v. Santa Clara County Dept of Social Services

223 Cal.App.4th 72 (6th Dist. Jan. 21, 2014)(H038241), *petition for review pending* (filed Feb. 28, 2014)(S216797)

A mother was reported for child abuse after she spanked her 12-year old daughter using a wooden spoon with enough force to produce visible bruises. The Santa Clara Department of Social Services concluded that the report was substantiated, and submitted it to the Department of Justice for inclusion in the Child Abuse Central Index (CACI). In appealing a superior court denial of her petition to have her name removed from the CACI, Mother argued that neither the Department nor the superior court gave any weight to the right of a parent to impose reasonable discipline her child. The Sixth District agreed. The court concluded that

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the superior court failed to give consideration to parents' right to impose reasonable discipline on their children, or to basic principles of fair procedure. CSAC has requested depublication.

County of Los Angeles v. Superior Court (Kennebrew)

222 Cal.App.4th 434 (2d Dist. Dec. 19, 2013)(B249494), *petition for review pending* (filed Jan. 28, 2014)(S216134)

Kennebrew shot and killed a man he thought was stealing from him. He was found incompetent to stand trial due to his dementia and was committed to Patton State Hospital. At the end of his three year commitment, Kennebrew's doctors determined he still suffered from dementia, and that he posed a risk of danger to others requiring placement in a structured environment. The trial court referred Kennebrew's case to the Los Angeles County Office of the Public Guardian for investigation for a possible "Murphy" conservatorship (Welf. & Instit. Code, § 5008(h)(1)(B)). The Public Guardian informed the court that it would not petition for conservatorship since dementia is not recognized as a recoverable mental health illness and, therefore, does not meet the criteria for mental health conservatorships, though the Public Guardian would consider a probate conservatorship, which is appropriate for patients with dementia. The trial court disagreed and ordered the Public Guardian to file for a Murphy conservatorship over Kennebrew. On appeal, Los Angeles County argued that the Public Guardian has sole discretion to decide whether to file a petition for conservatorship, and that dementia is not a qualifying diagnosis for a conservatorship under the Act. The Second District denied the writ, concluding that the court can order the Public Guardian to act, and that a Murphy conservatorship may be ordered for a patient with dementia, even if he has no other qualifying mental illnesses. CSAC filed a letter supporting Los Angeles County's petition for review, and has requested depublication.

Morgan v. Imperial Irrigation District

223 Cal.App.4th 892 (4th Dist. Div. 1 Jan. 17, 2014)(D060146), *ordered published* (Feb. 4, 2014)

This unpublished Proposition 218 opinion addresses requirements for increasing different water rates. The Irrigation District charges varying rates to its customers depending on the use of the water (i.e., agricultural, municipal, industrial, residential). In 2008, the District, after holding a protest election, increased rates for water usage, but the rate increases were different for the different types of users, creating rate classes. Plaintiffs, including the Farm Bureau, brought this action alleging that Prop. 218 required the District to conduct a separate protest election for each different rate class the District sought to impose, rather than the omnibus protest election the District conducted. The Fourth District disagreed, concluding that District's actions were in compliance with Constitutional requirements. CSAC's publication request was granted.

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Vagim v. City of Fresno

Pending in the Fifth District Court of Appeal (filed Dec. 23, 2013)(F068569)

The City of Fresno adopted a capital improvement program (CIP) to deal with water quality and supply issues. The City had relied exclusively on groundwater, which began to show signs of contamination and overdraft. This required the City to begin drawing on its surface water rights, and to develop a mechanism for processing that water. To fund the CIP, the City developed a new rate structure after complying with Proposition 218 requirements. Petitioners then proposed an initiative to repeal the new water rates. The City Attorney refused to issue a title and summary for the measure, concluding it was facially invalid since it would set rates too low to find a safe and adequate water supply, and to fulfill bond covenants and other legal obligations. The City Attorney sought a declaratory judgment, and at the same time Petitioner brought this action seeking to compel the City Attorney to issue a title and summary. The trial court heard Petitioner's action first, and ruled in Petitioner's favor, concluding that the validity of the measure should be determined after the election. CSAC will file a brief in support of the city.



April 4, 2014

To: CSAC Executive Committee

From: Jean Kinney Hurst, CSAC Legislative Representative

Re: **SB 1129 (Steinberg): Redevelopment: successor agencies to redevelopment agencies – ACTION ITEM**

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Senator Darrell Steinberg has introduced SB 1129, a measure that seeks to address a number of concerns about the process of dissolving redevelopment agencies. SB 1129 will be heard before the Senate Governance and Finance Committee on April 9, 2014 and is linked [here](#) for your review.

Recommendation. CSAC staff recommends a position of “oppose” on SB 1129. Existing CSAC policy favors greater fiscal controls at the county level and recognizes the significance of property tax revenues, in particular, as an important county general fund revenue source. SB 1129 promises to result in fewer property tax dollars returned to affected taxing entities over a longer period of time. Recall that in 2011-12 and 2012-13 counties have received about \$875 million in property tax revenues associated with redevelopment dissolution, with an estimated \$605 million received in 2013-14 and 2014-15. This revenue is general purpose revenue that counties may use at their discretion.

Background. The Senate Governance and Finance Committee’s [bill analysis](#) thoroughly outlines the history that brought us to redevelopment dissolution. SB 1129 proposes changes to three components of the dissolution process: enforceable obligations, long range property management plans and compensation agreements, and use of bond proceeds for debt issued in 2011.

Use of 2011 bond proceeds: The redevelopment dissolution law allows a successor agency that receives a finding of completion to use bond proceeds from bonds issues on or before December 31, 2010, for the purposes for which the bonds were sold. Those proceeds in excess of the amounts needed to satisfy enforceable obligations must be expended in a manner consistent with the original bond covenants. If they cannot, the proceeds must be used to defease the bonds or to purchase those bonds on the open market for cancellation.

SB 1129 allows a successor agency to use the proceeds of bonds issued by a former RDA in 2011, extending the 2010 deadline, upon approval of the oversight board if the proceeds are used in a manner in which the bonds were sold and if the oversight board, in consultation with the appropriate metropolitan planning organization (MPO), determines that the use of the bond proceeds is consistent with the sustainable communities strategy outlined by the MPO.

Long Range Property Management Plans and compensation agreements: A successor agency that has received a finding of completion may retain a former RDA’s real property and interest in real property. The successor agency must prepare a Long Range Property Management Plan (LRPMP) that outlines the disposition and use of a

former redevelopment agency's real property. Current law prohibits the transfer of property to a successor agency, city, or county unless a successor agency's oversight board and DOF approve the LRPMP. If a city or county wishes to retain a property for future redevelopment activities, funded with its own funds, it must reach a compensation agreements with the other taxing entities to provide payments to them in proportion to their shares of the base property tax for the value of the property retained.

SB 1129 declares that the requirement to reach a compensation agreement does not apply to the disposition of properties pursuant to a LRPMP and that DOF may not require a compensation agreement as part of the approval of the LRPMP.

Enforceable obligations: Enforceable obligations are responsibilities for payments entered into by former RDAs. These include bonds, bond-related payments, certain loans, payments required by the federal government, obligations to the state, obligations imposed by state law, legally required payments related to RDA employees, judgments or settlements, and other legally binding and enforceable agreements or contracts. Successor agencies must prepare a list of enforceable obligations every six months; this list, called the "Recognized Obligation Payment Schedule" (ROPS) must be adopted by the oversight board and is subject to review by the Department of Finance. Enforceable obligations are then paid from property tax revenues that would otherwise have gone to the former RDA; any revenues that remain are distributed to the affected taxing entities.

A "finding of completion" is received by a successor agency when it complies with state laws that require it to remit specified RDA property tax allocation and cash assets identified via a "due diligence review" process. Approximately 300 successor agencies have received a finding of completion.

SB 1129 requires that an oversight board approve any action to remove an enforceable obligation from a ROPS for a successor agency that has received a finding of completion.

SB 1129 also allows a successor agency that receives a finding of completion to enter into or amend existing contracts and agreements if this action will not commit new tax funds or will not otherwise adversely affect the flow of tax increment to taxing agencies.

Policy Considerations. These three components of SB 1129 will have consequences for all affected taxing entities. Allocation of property tax increment revenues is a zero-sum game. Successor agencies that utilize the provisions of SB 1129 to finance projects will receive larger allocations of property tax increment revenues than under current law. At the same time, other local governments will receive smaller allocations than they would under current law. A similar scenario occurs by authorizing successor agencies to retain former RDA properties without compensation agreements.

Some counties that operated county redevelopment agencies may receive some benefit from the changes proposed in SB 1129, including those that had prepared for, but had not yet executed, redevelopment projects during the months prior to the passage of the dissolution bill.

Use of 2011 bond proceeds: By authorizing the use of bond proceeds issued in 2011 regardless of whether the agency receives a finding of completion, SB 1129 redirects property tax increment revenues to fund new projects instead of paying down debt.

According to the Senate Governance and Finance Committee analysis, some redevelopment officials responded to the Governor's 2011 proposal to eliminate RDAs by accelerating their tax allocation bond sales. In the first six months of 2011, RDAs collectively issued \$1.5 billion in tax allocation bonds, exceeding the level of debt issued in the entire prior fiscal year. Further, many of these bonds were issued at significantly higher interest rates than in previous years. (In the first six months of 2011, RDAs issued more tax allocation bonds with interest rates exceeding 8 percent than they had in the previous 10 years.) DOF estimates that there is \$600-700 million in unencumbered 2011 bond proceeds. From a fiscal perspective, it does not make sense to allow a successor agency to utilize bond proceeds instead of defeasing the bonds, as these debt obligations would require property tax increment revenues well into the future at a high cost.

Long Range Property Management Plans and compensation agreements: By eliminating the requirement that a city or county must negotiate compensation agreements with other taxing entities for former RDA properties that it retains pursuant to a LRPMP, SB 1129 does away with an important tool for affected taxing entities to ensure that development can occur while protecting all local governments' investments in such properties. Former RDA properties were purchased using property tax increment revenues from all local taxing entities; compensation agreements are a reasonable means to ensure that local agencies are working collaboratively to resolve issues regarding future use of these properties.

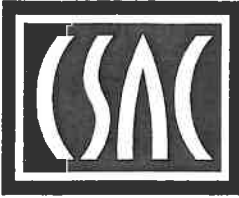
Enforceable obligations: By authorizing a successor agency to enter into new and/or amended enforceable obligations without oversight board approval, affected taxing entities may be concerned that there are insufficient safeguards in place to ensure that any changes are consistent with the wider community's values and the Legislature's intent to expeditiously wind down RDAs. Oversight Board and DOF review are important components to ensure that enforceable obligations are appropriate and lawful.

SB 1129 is supported by a number of low-income housing advocates and developers, the City of Folsom, Western Center on Law and Poverty, a few local agency employee associations (including San Luis Obispo County Employees Association), and a number of individuals.

The Santa Clara County Board of Supervisors and the California Special Districts Association have taken an "oppose" position on the measure.

Action requested. Consistent with existing CSAC policy, staff recommends an "oppose" position on SB 1129 (Steinberg). Assuming that the bill moves out of the Senate Governance and Finance Committee on April 9, it will next be heard in the Senate Appropriations Committee.

Should the Executive Committee not wish to take an "oppose" position, CSAC could express its concerns with SB 1129 in writing to the author, identifying its most troubling components or simply watch the bill as it moves through the legislative process.



**Administration of Justice Policy Committee Meeting
Conference Call* - Friday, April 11, 2013**

9:30 a.m. – 11:00 a.m.

Call-in number: (800) 867-2581; Access code: 7500513#

*** Limited seating available at 1100 K Street - Sacramento - Peterson
Conference Room - 1st floor**

**Supervisor Federal Glover, Contra Costa County, Chair
Supervisor John Viegas, Glenn County, Vice-Chair**

- 9:30 a.m. I. **Welcome and Introductions**
Supervisor Federal Glover, Contra Costa County
- 9:35 a.m. II. **Budget Overview and Justice-Related Trailer Bill Discussion**
*Elizabeth Howard Espinosa, CSAC Senior Legislative Representative
London Biggs, CSAC Legislative Analyst*
- 9:50 a.m. III. **Exploring State and Local Partnerships to Improve Victim
Restitution Collection**
*Mary Wray, Acting Deputy Executive Officer, Administration and Finance;
Victim Compensation & Government Claims Board; Jennifer Green,
Manager, Revenue Recovery Section, Victim Compensation &
Government Claims Board*
- 10:10 a.m. IV. **2014 Department of Justice Policy Priorities: Combatting Truancy
and Human Trafficking in California**
*Jill Habig, Special Assistant Deputy Attorney General, Department of
Justice*
- 10:30 a.m. V. **Three-Judge Panel Update / SB 105 (2013) Interim Report**
*Elizabeth Howard Espinosa, CSAC Senior Legislative Representative
London Biggs, CSAC Legislative Analyst*
- 10:45 a.m. VI. **2014 Legislative Overview and Update**
*Elizabeth Howard Espinosa, CSAC Senior Legislative Representative
London Biggs, CSAC Legislative Analyst*
- 11:00 a.m. VII. **Adjournment**

The CSAC Administration of Justice Policy Committee will next meet in Sacramento as part of the CSAC Legislative Conference planned for May 14-15, 2014. Conference program and registration details are available [here!](#)



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April 4, 2014

To: CSAC Executive Committee

From: Elizabeth Howard Espinosa
CSAC Administration of Justice Policy Committee Staff

RE: April Update on the Work of the Realignment Allocation Committee (RAC)

This informational memo provides an update on the work of the Realignment Allocation Committee (RAC), which remains focused on developing an AB 109 distribution formula that would be effective beginning in 2014-15. The committee met in person on Friday, March 28 to continue its deliberations and is scheduled to meet again April 16 for continued work.

The RAC is making progress, but has not yet landed on a recommended approach. A range of potential factors that could be incorporated into a statewide formula remain under consideration – including elements for measuring workload and performance as well as those that might gauge a county's service capacity (e.g., poverty and unemployment rates, mental health characteristics of the realigned population).

As the committee continues to work, it is keeping counties advised of its progress. The committee continues to remind counties that a measure of caution be used given that the programmatic funding base is scheduled to drop from \$998.9 million in 2013-14 to \$934.1 million in 2014-15 (approximately a 7 % reduction), based on the state's assumptions that the post-release community supervision population (PRCS) population (those exiting state prison onto a county probation caseload) would decline as counties housed more felons locally. While additional undistributed growth may be available in the fall, that level of that funding is not known at this time. It should also be understood that the RAC's new distribution formula is likely to result in additional adjustments to county shares, which argues for counties being even more conservative when budget planning for AB 109 programs in the upcoming fiscal year. In view of the funding drop, CSAC is pursuing advocacy strategies to secure additional funding to mitigate the drop in the allocation. Of course, any resolution or decision on those efforts will not be known until mid-May at the soonest.



AB 109 FUNDING AND RELATED SERVICES

2014-15 BUDGET FACT SHEET

Prepared by the California State Association of Counties

PURPOSE

To maintain AB 109 programmatic funding stability in 2014-15 and to make targeted service investments to improve outcomes for the realigned criminal justice populations. Additional investments that support early intervention and meet mental health and behavioral service needs of criminal justice populations will support our mutual goal of reduced recidivism and enhanced public safety.

BACKGROUND

The Governor's 2014-15 budget proposal makes a number of important funding commitments in support of the successful management of criminal justice system responsibilities transferred to counties in 2011. The budget recommends several key policy changes and, notably, contains a proposed \$500 million in additional lease revenue bonds to expand counties' capacity to improve jail facilities and design vital programming and treatment space.

However, counties are facing a one-time, temporary drop in funding to support implementation of AB 109. When the state estimated workload associated with AB 109 implementation, it modeled the shift in criminal justice populations to counties. The two largest components are (1) the offenders who now serve time for lower-level felonies in county jail and (2) those who are supervised on post-release community supervision (PRCS) by county probation departments following release from state prison. The latter cohort was expected to diminish in the fourth year of implementation (2014-15), and the state assumed a commensurate drop in funding. It now appears, however, that counties are seeing a flattening¹ – but not a significant drop – in the PRCS population. The table below details anticipated funding to be received by counties in this and next fiscal year.

AB 109 Funding (Actual/estimated cash received by fiscal year)

<i>In millions</i>	2013-14	2014-15	Difference
AB 109 programmatic funding	998.9	934.1	(64.8)
AB 109 growth	86.7 *	64.3 **	(22.4)
Total	\$1,085.6	993.4	(87.2)

* Actual; ** Estimate

Counties are at a critical stage in building long-term programming and supervision capacity at the local level. For a relatively small investment (\$87 million), the state can smooth the temporary gap and sustain funding levels to ensure programmatic stability into next fiscal year.

¹ <http://www.cpoc.org/assets/Realignment/dashboard.swf>: Most recent CPOC data show that PRCS releases remain higher than anticipated; monthly numbers for the last quarter available (Quarter 1, 2013-14) indicate the population being released from prison is running between 103% and 114% higher than estimates.

Without this one-time infusion of funds, counties will be forced to reduce budgets and make cuts to the core services and interventions needed to produce improved offender outcomes and community reintegration.

Further, CSAC is advocating for an additional \$100 million to help build upon early intervention and prevention efforts that directly link to individuals, particularly those with mental health issues, at high risk for criminal justice involvement. Counties support funding for a flexible grant-based program that would allow counties to expand and/or create multi-disciplinary approaches to responding to mental health crises and minimize placements in hospitals and jails – which could include Mentally Ill Offender Crime Reduction (MIOCR) grant programs and expansion of the Mental Health Wellness Act of 2013 (SB 82, Chapter 34, Statutes of 2013) services.

The funding would be used to support individuals to avoid further legal contact after a crisis and allowable uses would include housing supports, employment, and screening, assessment and referrals for behavioral health treatment services (including substance use disorder treatment). This investment would go a long way toward addressing what have been higher-than-expected behavioral health needs of the realigned population and help with future criminal justice system involvement.

According to the National Alliance on Mental Illness, “approximately 20 percent of state prisoners and 21 percent of local jail prisoners have ‘a recent history’ of a mental health condition” (*Mental Illness Facts and Numbers*, March 2013). Counties cannot use Medi-Cal funds or Mental Health Services Act funds to deliver behavioral health services to individuals when they are incarcerated.

Flexible state funds would allow counties to build upon existing successful models to combat recidivism while addressing local needs – whether the need is clinicians partnering with city police and county sheriffs, building or acquiring housing in the community to support offenders and persons with mental illness, subsidizing employment programs, or creating on-the-job-training and apprenticeship programs. AB 109 has provided a base for counties to create these types of programs. However, the need is greater than the funding available. Targeted state investments could assist the state and counties in reducing recidivism and achieving the state’s prison population reduction goals.

PROPOSED SOLUTION

The state and counties mutually benefit from a stable, sustainable, and successful implementation of 2011 public safety realignment. The proposed solution contains two elements – first to provide one-time funding to avoid the temporary drop in AB 109 programmatic funding and secondly to supplement existing funding to bolster vital services in support of the locally managed criminal offender population. CSAC recommends \$187 million in investments will permit expansion of the local behavioral health services, housing assistance and employment services.

STAFF CONTACT

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BUDGET FACT SHEET

Prepared by the California State Association of Counties

PURPOSE

To take the first steps toward a more reasonable relationship between the local government and the state with regards to reimbursable mandates by paying down mandate reimbursements associated with pre-2004 claims.

BACKGROUND

Counties greatly appreciate the Governor's recognition of the pre-2004 mandate reimbursements in the so-called "Wall of Debt" and the proposed plan to begin repayment of those obligations over 2015-16 (\$748 million) and 2016-17 (\$152 million). Of this \$900 million owed to local agencies (counties, cities, and special districts), over 60% is owed to counties for mandated services performed prior to 2004.

Counties have been carrying these debts on the books since 2002, when the Davis Administration appropriated \$1000 for each reimbursable mandate. The original repayment plan was to fully repay the debt annually over five years. The Legislature then extended the repayment plan to 15 years, ending in 2020-21. Annual payments, for the most part, have been suspended ever since.

This obligation represents just one of many long-standing frustrations associated with the mandates process. In order to proceed to a more reasonable approach to dealing with mandated costs, it would be helpful to embark on a good faith effort to eliminate this debt.

PROPOSED SOLUTION

CSAC urges the Administration and the Legislature to consider establishing a payment plan that starts in 2014-15. Even a small down payment on this debt would serve to reduce the final amount of the obligation (the state's unpaid obligation for mandates grows on an annual basis) and begin to return general purpose revenue to counties at a time when counties have taken on significant new responsibilities from the state.

STAFF CONTACT

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CSAC Executive Committee Report – 4.17.14

1. **Partnership Program Update:** We are at 52 partners, with many more at decision stage. We are in the process of meeting with all Premier Partners to develop a customized business plan. We are communicating with our partners on a regular basis through one-on-one meetings, phone conversations, a monthly partner Enews, and by adding new environments.
 - 17 Premier Partners (New 2014: Dell, Vanir, HP, Microsoft)
 - 4 Executive Partners (New 2014 : United Health/Optum, Recology)
 - 31 Associate Partners (New 2014: CGL Companies, ecoATM, Enterprise, Psynergy Programs, Point & Pay, Sentinel Offender Services, Unisys, Johnson & Johnson, Sierra West Group)
 - **HIGHLIGHT:** Microsoft Corporation was just added in late March and awarded CSAC with \$82,000 grant.

2. **Regional Mini-Summits:** We've added three mini-summits (see attached) to our calendar in hopes of creating another helpful environment to listen and learn from our county officials, CSAC staff and our corporate partners.
 - Mini-Summit Northern California Counties (Tehama County) - May 1
 - Mini-Summit Central California (Fresno County) - June 19
 - Mini-Summit Central Bay Counties (San Francisco County) - Oct. 2

3. **PRE WIR SUMMIT Update (King County, WA) – May 17-20:** With the help of Tom Sweet, and NACo, we are continuing to see the numbers for this revamped event grow.
 - a. New this year:
 - A full day of county presentations and round table discussions.
 - A non-golf option on Sunday and Tuesday in the city.
 - Partnership with Vision House, a local non-profit that provides housing for displaced mothers and their children.
 - b. As of this date, PRE is almost fully funded by partners.
 - c. Deadline to register: May 21, 2014

Respectfully submitted,

Jim Manker

CSAC Director of Corporate Relations

Premier Partners (as of March 26, 2014)**Alkermes**

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(949) 769-4184
bshumey@uscommunities.org
www.uscommunities.org

Vanir Construction Management, Inc.

Bob Fletcher, Associate Director of Marketing
4540 Duckhorn Drive, Suite 300
Sacramento, CA 95834
(916) 997-3195
bob.fletcher@vanir.com
www.vanir.com

Executive Partners (As of March 26, 2014)

Optum

Margaret Kelly National VP, Government Education
and Labor

505 N Brand Blvd Ste 1200

Glendale, CA 91203

(818) 484-9188

Margaret.kelly@optum.com

www.optum.com

Recology

Eric Potashner

Senior Director Strategic Affairs

50 California Street, 24th Floor

San Francisco, CA 94111-9796

T: 415.875.1102 | M: 415.624.9885

epotashner@recology.com

www.recology.com

Santa Ynez Band of Chumash Indians

Sam Cohen, Government and Legal Specialist

P.O. Box 517

Santa Ynez, CA 93460

(805) 245-9083

Scohen@santaynezchumash.org

www.santaynezchumash.org

UnitedHealthcare

United Healthcare – Anthony Campbell, MHA,

Sales Vice President – Public Sector

425 Market St., 14th Floor

San Francisco, CA 94105

(415) 778-3845

anthony_d_campbell@uhc.com

www.uhc.com

Xerox Corporation

Michelle Yoshino, General Manager

1851 East First Street

Santa Ana, CA 92705

(714) 262-8854

michelle.yoshino@xerox.com

www.consulting.xerox.com

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AT&T

Mike Silacci, Executive Director, External Affairs
1150 South Olive Street, Suite 2803
Los Angeles, CA 90015
(213) 743-7010
ms9749@att.com
www.att.com

BI incorporated

Matt Swando, National RSS Sales Manager
6400 Lookout Road
Boulder, CO 80301
(303) 218-1000
Matt.Swando@bi.com
www.bi.com

CGL Companies

Matthew J. Skarr, Vice President
2485 Natomas Park Drive, Suite 300
Sacramento, CA 95833
(630) 728-1609
mjkarr@cglcompanies.com
www.cglcompanies.com

Chevron Energy Solutions

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345 California Street-18th Floor
San Francisco, CA 94104
(714) 473-7837
AJain@chevron.com
www.chevronenergy.com

Comcast

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Affairs - California Region
3055 Comcast Place
Livermore, CA 94551
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Sue_Vaccaro@cable.comcast.com

Corrections Corporation of America

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10 Burton Hills Boulevard
Nashville, TN 37215
(615) 263-3093
brad.wiggins@correctionscorp.com
www.cca.com

CorrectCare Integrated Health

Jeff Lytle, Business Development Executive
600 N. Market Blvd., Ste 4
Sacramento, CA 95834
(859) 225-7999
jlytle@correctcare.com
www.correctcare.com

CSAC Excess Insurance Authority

Gina Dean, Chief Operating Officer
75 Iron Point Circle, Suite 200
Folsom CA 95630
(916) 850-7300
gdean@csac-EIA.org
www.csac-eia.org

Eli Lilly and Company

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State Alliance Manager - Western Region
1890 Avenida Martina
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916.207.9085
dgarel@lilly.com
www.lilly.com

Employee Relations Inc.

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bfisher@erelations.com
www.erelations.com

ecoATM, Inc.

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Enterprise Holdings

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Roseville, CA 95747
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www.enterprise.com

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HDR

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Hospital Association of San Diego and Imperial Counties

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www.pars.org

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www.pointandpay.com

Raymond James

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www.towerswatson.com/en-US/Services/our-solutions/OneExchange

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www.saic.com

Union Pacific Railroad

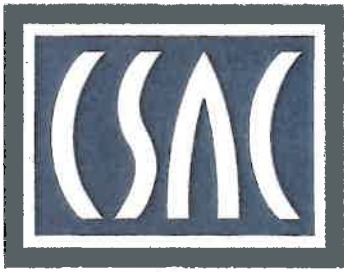
Liisa Lawson Stark, Director, Public Affairs
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Unisys

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Wells Capital Management

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www.wellscap.com



miniSUMMIT

collaborate | connect | advocate

- WHO:** Northern California Counties Region
- WHEN:** Thursday, May 1, 9:30-2:30, lunch will be provided
- WHERE:** Rolling Hills Casino - 2655 Everett Freeman Way, Corning, CA 96021
- WHAT:** A mini-summit with the CSAC Advocacy Team, Executive Leadership, and CSAC Corporate Partners. The mini-summit will provide an opportunity to share challenges and solutions with Northern California county officials and CSAC officers and staff.
- TOPICS:** Water, public safety, business solutions for county governance, and Q and A with CSAC Executive Staff

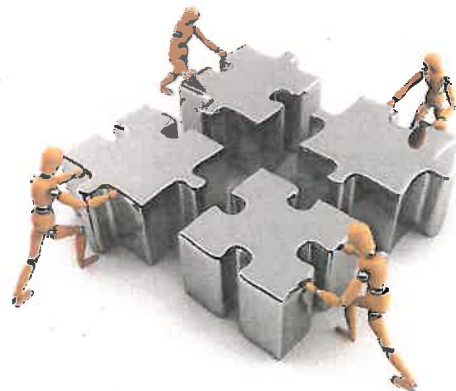
Continuing the Water Dialogue. The current drought has highlighted both the value of California's groundwater resource and perceived problems associated with its current management. CSAC staff will provide an overview of recent discussions between groundwater stakeholders and the Administration and proposed solutions to improving management of the State's groundwater resources.

Protecting our Communities: Counties Focus on Public Safety. CSAC staff will provide an update on budget and key public safety policy issues, especially those associated with counties' implementation of AB 109. The latest on the deliberations of the Realignment Allocation Committee, an update on realignment-related legislation, and any relevant actions of Senate and Assembly budget subcommittee hearings also will be covered.

REGISTER: Call or email Chris Feusahrens

916.650.8103

cfeusahrens@counties.org





Dear County Official:

You are cordially invited to participate in the 2014 PRE-WIR SUMMIT, formally known as the Sweet-Nakamura Classic which will be held in King County, Washington on May 17-20. The Western Interstate Region is affiliated with the National Association of Counties and is dedicated to the promotion of Western interests within NACo. These interests include public land issues, community stability and economic development. PRE-WIR convenes just prior and near the WIR annual conference and attracts county officials and private sector representatives from across the country. You will have numerous opportunities for networking and collaboration with other participants.

In addition to the opportunity for private sector representatives to discuss their solutions to local government issues, there will be a full day of presentations from county officials addressing their challenges. Additionally, a portion of the proceeds from the event will be donated to benefit a local charity.

All events are hosted by a collaborative of Corporate Partners of NACo and CSAC (California State Association of Counties) and reportable as a gift or income depending on participation.

The tentative itinerary is as follows:

Saturday, May 17

6:00PM Welcoming Dinner@ Hyatt Regency Bellevue, www.bellevue.hyatt.com

Sunday, May 18

8:00AM Golf@ China Creek (The Golf Club at Newcastle, www.newcastlegolf.com)

6:00PM Dinner @ Daniels Restaurant, Hyatt Regency

Monday, May 19 - County Forum

9:00AM - 4PM Presentations, panels, and roundtable discussions

Topics may include: County Operations and Technology, Land Use: Development v. Environment, The Affordable Care Act and the County Health System, Renewable Energy Challenges and Solutions, etc.

6:00PM Dinner @ Hyatt Regency Bellevue

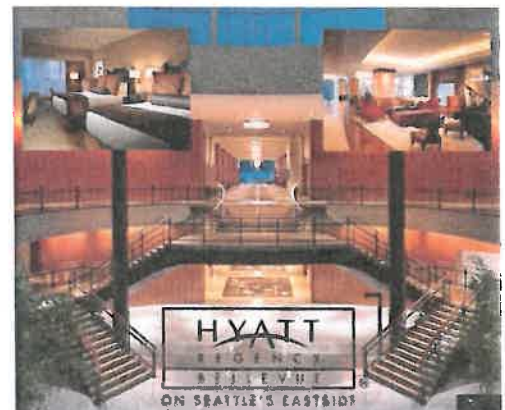
Tuesday, May 20

8:00AM Golf @ Coal Creek (The Golf Club at Newcastle)

We have negotiated a government rate of \$152 for your convenience.

The rates are valid for Saturday, Sunday and Monday night at the Hyatt Regency Bellevue and can be made by calling Shaina Phillips at 1-425-698-4115, and refer to CSAC (California State Association of Counties) or by going to the link: <https://resweb.passkey.com/go/CSAC2014> . Rates are valid until 4.21.14.

NOTE: Once you've made your hotel reservation, please forward the attached registration form to Tom Sweet at tomsweet8@gmail.com or call 916.616.7556.



PRE-WIR SUMMIT Registration Card
 Saturday, May 17th through Tuesday, May 20th

Name: _____

Title: _____

Email: _____

Phone: _____

County or Corporation: _____

Golf Shirt Size: M/F __2XL __XL __L __M __SM

GHIN: _____ or lowest score in past 12 months: _____

A spouse/guest will be joining us for the evening events. Yes___ No___



Golf details: On the days we golf (Sunday/Tuesday) we will attempt to place you with different golf partners in order to provide you the maximum opportunity for collaboration during this public/private event. If you are not playing golf on both days please let us know because pairings will be provided to the golf course in advance.

Golfing	Yes	No	Club Rentals?
Sunday	___	___	___
Tuesday	___	___	___

Note: transportation to and from the airport and golf course is your responsibility.

Questions and to register? Contact Tom Sweet at tomsweet8@gmail.com or 916.616.7556.

Mail: Tom Sweet, 3995 Royal Troon Drive, El Dorado Hills, CA 95762

Fax: Attention Jim Manker at 916.441.5507

Deadline: April 21, 2014

2014 CSAC Executive Committee Calendar of Events

January

- 15 CSAC Executive Committee Orientation Dinner, Sacramento County
6:30pm Reception, 7:15pm Dinner, Esquire Grill, 13th & K Streets, Sacramento, CA 95814
- 16 CSAC Executive Committee Meeting, Sacramento County
10:00am – 1:30pm, CSAC Conference Center, 1020 11th Street, 2nd Floor, Sacramento, CA 95814

February

- 5-6 CSAC Corporate Associates Forum, San Diego County
- 19 CSAC Board of Directors/Legislator Reception, Sacramento County
5:00pm – 7:00pm, The Mix, 1525 L Street, Sacramento, CA 95814
- 20 CSAC Board of Directors Meeting, Sacramento County
10:00am – 1:30pm, CSAC Conference Center, 1020 11th Street, 2nd Floor, Sacramento, CA 95814

March

- 1-5 NACo Legislative Conference, Washington, D.C.

April

- 17 CSAC Executive Committee Meeting, Sacramento County
10:00am – 2:00pm, CSAC Conference Center, 1020 11th Street, 2nd Floor, Sacramento, CA 95814

May

- 14-15 CSAC Legislative Conference, Sacramento County
- 15 CSAC Board of Directors Meeting, Sacramento County
12:00pm – 3:00pm, CSAC Conference Center, 1020 11th Street, 2nd Floor, Sacramento, CA 95814
- 21-23 NACo Western Interstate Region Conference, Anchorage, Alaska

July

- 11-15 NACo Annual Meeting, New Orleans Parrish, New Orleans, Louisiana

August

- 7 CSAC Executive Committee Meeting, Los Angeles County
10:00am – 1:30pm, Maya Hotel, 700 Queens Way, Long Beach, CA 90802

September

- 4 CSAC Board of Directors Meeting, Sacramento County
10:00am – 1:30pm, CSAC Conference Center, 1020 11th Street, 2nd Floor, Sacramento, CA 95814

October

- 8-10 CSAC Executive Committee Retreat, Monterey, CA

November

- 18-21 CSAC 120th Annual Meeting, Anaheim, Orange County
- 21 CSAC Board of Directors Meeting, Anaheim, Orange County
2:00pm – 4:00pm, Disneyland Hotel, 1150 Magic Way, Anaheim, CA 92802

December

- 3-5 CSAC Officers Retreat, Napa County