

CALIFORNIA STATE ASSOCIATION OF COUNTIES
BOARD OF DIRECTORS
Thursday, June 3, 2010
Hyatt Regency Hotel, Sacramento
M I N U T E S

Presiding: Tony Oliveira, President

1. ROLL CALL

Alameda	absent	Sacramento	Roger Dickinson
Alpine	Terry Woodrow	San Benito	Reb Monaco
Amador	Louis Boitano	San Bernardino	absent
Butte	Bill Connelly	San Diego	Greg Cox
Calaveras	Merita Callaway	San Francisco	Eric Mar
Colusa	absent	San Joaquin	Larry Ruhstaller
Contra Costa	absent	San Luis Obispo	Bruce Gibson
Del Norte	David Finigan	San Mateo	absent
El Dorado	Norma Santiago	Santa Barbara	Joni Gray
Fresno	Henry Perea	Santa Clara	absent
Glenn	John Viegas	Santa Cruz	Mark Stone
Humboldt	Mark Lovelace	Shasta	Leonard Moty
Imperial	Gary Wyatt	Sierra	Lee Adams
Inyo	Susan Cash	Siskiyou	Jim Cook
Kern	Jon McQuiston	Solano	Mike Reagan
Kings	Oliveira/Valle	Sonoma	Brown/Zane
Lake	Anthony Farrington	Stanislaus	Vito Chiesa
Lassen	Lloyd Keefer	Sutter	absent
Los Angeles	absent	Tehama	Robert Williams
Madera	absent	Trinity	Judy Pflueger
Marin	Susan Adams	Tulare	Steve Worthley
Mariposa	Lyle Turpin	Tuolumne	Richard Pland
Mendocino	Carre Brown	Ventura	Kathy Long
Merced	Hubert "Hub" Walsh	Yolo	McGowan/Rexroad
Modoc	Jeff Bullock	Yuba	absent
Mono	Duane "Hap" Hazard	Advisor:	Nancy Watt
Monterey	Fernando Armenta		
Napa	absent		
Nevada	Ted Owens		
Orange	John Moorlach		
Placer	Jim Holmes		
Plumas	absent		
Riverside	John Tavaglione		

The presence of a quorum was noted.

2. APPROVAL OF MINUTES

The minutes of March 25, 2010 were corrected to reflect that "Mark" should be capitalized on page 7.

Motion and second to approve minutes of March 25, 2010. Motion carried unanimously.

3. REMARKS BY CANDIDATES FOR NACo SECOND VICE PRESIDENT

The three candidates running for the position of 2nd Vice President of the National Association of Counties (NACo) addressed the Board regarding their backgrounds and qualifications for the position. The candidates were: Burrell Ellis, Chief Executive Officer from DeKalb County, Georgia; Joe Giles, Council Member from Erie County, Pennsylvania; and Chris Rodgers, Commissioner from Douglas County, Nebraska.

4. GOVERNOR'S MAY REVISION OF THE 2010-11 STATE BUDGET

Ana Mantosantos, Director of the Department of Finance, outlined the Governor's current budget proposal which includes significant program cuts and eliminations. Chris Woods, Budget Director for Assembly Speaker Perez, presented the Speaker's state budget proposal which includes a multi-step borrowing/securitization and tax initiative. Craig Cornett, Budget Director for Senate President pro Tem Steinberg, discussed the Senate Democrats' proposal which contains some program reductions and a realignment of programs and revenues to the local level. It would also extend some tax measures.

The Legislature's Budget Conference Committee is expected to convene this week to begin discussions on the various state budget proposals and solutions to addressing the state budget crisis. Staff will report back on any progress.

5. NACo 2ND VICE PRESIDENT ENDORSEMENT

The Board discussed the merits of each of the three candidates running for NACo 2nd Vice President and debated whether or not to endorse a candidate during the Board meeting or wait until the California Caucus at the NACo conference in July. They also discussed the pros and cons of voting by unit rule.

Motion and second to adopt unit rule voting for 2010 NACo 2nd Vice President candidate. Motion carried unanimously.

Motion and second to support Commissioner Chris Rodgers for 2010 NACo 2nd Vice President. Motion carried.

Supervisors Gibson and Walsh abstained and Supervisor Dickinson requested that his 'no' vote be recorded.

6. PROPOSED CSAC BUDGET FOR FY 2010-11

Paul McIntosh presented the proposed CSAC Budget for FY 2010-11 as contained in the briefing materials and noted that, for the second year in a row, the budget does not contain a dues increase. The financial contribution from the Finance Corporate dropped 17% this year primarily due to reduced demand for housing bonds and a decrease in interest earnings on cash. In addition, tenant vacancies are anticipated in the Ransohoff building. Because of these reductions, the budget includes eliminating two CSAC staff positions and consolidating some functions. Additionally, CSAC will no longer publish a bi-monthly magazine.

The CSAC Executive Committee approved the proposed budget at its April 22 meeting with the caveat that no funds appropriated would be used to provide any adjustments to the salary of CSAC staff until the Executive committee further discussed the issue at its October retreat.

CSAC Treasurer, Susan Cash, recommended that the caveat be removed.

Motion and second to adopt the proposed CSAC Budget for FY 2010-11 as submitted with the removal of the caveat. Motion carried unanimously.

7. PROPOSED LITIGATION COORDINATION PROGRAM BUDGET FOR FY 2010-11

Jennifer Henning, Executive Director of the County Counsels' Association, presented the proposed Litigation Coordination Program Budget for FY 2010-11, as contained in the briefing materials. The budget includes a modest 2% fee increase in order to cover the costs associated with operating the program such as employee benefits and rent.

This program is an important service offered to CSAC members which allows counties to save litigation costs by coordinating in multi-county cases, and by sharing information and resources.

The CSAC Executive Committee approved the proposed budget at its April 22 meeting and recommended adoption by the Board of Directors.

Motion and second to approve the Litigation Program Budget as submitted. Motion carried unanimously.

8. LOCAL TAXPAYERS, PUBLIC SAFETY & TRANSPORTATION PROTECTION ACT OF 2010

The League of California Cities is sponsoring an initiative that will appear on the November 2010 ballot titled *Local Taxpayers, Public Safety, and Transportation Protection Act of 2010*. The initiative would more thoroughly secure certain revenue streams that partly or completely flow to local agencies, mostly related to redevelopment, transportation, and transit.

Chris McKenzie, Executive Director and Robin Wood, President of the League of California Cities, spoke in favor of the initiative.

CSAC has concerns with the initiative because of potential impacts on a broad array of county services if the initiative is passed by the voters. The CSAC officers directed four policy committees to consider the initiative and make recommendations to the Board of Directors. The Health & Human Services and Administration of Justice policy committees both recommended an "Oppose" position. Government Finance & Operations and Housing, Land Use & Transportation recommended a "Neutral" position.

Motion and second to OPPOSE the Local Taxpayers, Public Safety, and Transportation Protection Act of 2010.

Substitute Motion to take a NEUTRAL position on the initiative. Motion failed (19 in favor).

Motion and second to OPPOSE the initiative. Motion failed (25 in favor).

Because 30 affirmative votes are required to take a position on a ballot initiative, as outlined in CSAC's Policies & Procedures, no position was taken.

9. CSAC POLICY COMMITTEE REPORTS

Administration of Justice. Supervisor Callaway, Vice-chair of the Administration of Justice policy committee provided a report on the June 2 committee meeting. The committee took an “oppose” position on the Local Taxpayer, Public Safety & Transportation Protection Act.

One item regarding jail standards was to the Board of Directors for action. Specifically, the recommendation was as follows: Reiterate the need for the jail standards development process to appropriately consider the economic impact of regulatory changes; recommend that the standards development process consider movement in correctional and rehabilitation practices toward reentry preparation and community reintegration; and encourage representation on the next CSA jail standards review process from counties that are conditionally approved for jail construction projects under the provisions of AB 900 (Solorio, 2007).

Motion and second to adopt policy committee recommendation regarding jail standards.
Motion carried unanimously.

Agriculture & Natural Resources. Staff reported on the Agriculture & Natural Resources policy committee meeting held June 2. The committee received an update on efforts regarding the Williamson Act funding advocacy campaign and also heard a panel discussion titled “Local Water Challenges – Perspectives from Around the State.” No action items were considered.

Government Finance & Operations. Supervisor Gibson, Chair of the Government Finance & Operations policy committee, provided a report on the June 2 meeting. The committee received reports on the State budget deficit, economic outlook and the mandate process. The policy committee also took a “neutral” position on the Local Taxpayer, Public Safety & Transportation Act.

One item was brought forward to the Board of Directors for consideration regarding Pension Reform. Specifically, the recommendations was to reaffirm the CSAC Guiding Principles for Pension Reform without specific reform proposals and to direct staff to return to the committee's next meeting with modified reform proposals for review.

Motion and second to adopt policy committee recommendation regarding pension reform.
Motion carried unanimously.

Health & Human Services. Staff reported on the Health & Human Services policy committee meeting held on June 3. The primary topic was a panel discussion on California's next Section 1115 Medicaid Waiver. The committee took an “oppose” position on the Local Taxpayer, Public Safety & Transportation Protection Act and also heard reports on Health Information Technology, Impacts of the May Revision on Health & Human Services, and Federal Health Reform.

Housing, Land Use & Transportation. Supervisor Carrillo, Vice-chair of the Housing, Land Use & Transportation policy committee, provided a report on the June 2 meeting. The committee received reports on Permanent Source for Affordable Housing legislative proposal, Indian Gaming, SB 375 & regional targets and various legislative bills currently in the Legislature. The committee took a “neutral” position on the Local Taxpayer, Public Safety & Transportation Protection Act.

Supervisor McGowan outlined a memo that was distributed to the Board of Directors regarding Federal Indian Fee-to-Trust Reform. The acquisition of land in trust on behalf of tribes has substantially expanded and become increasingly controversial in recent years. From the perspective of state and local governments, the process now takes land out of local, county and

state jurisdiction and deprives them of a tax base, while maintaining responsibility for increased service demands and costs associated with the developed land. The lack of opportunity for reform changed in early 2009, when the U.S. Supreme Court (*Carcieri v. Salazar*) cast significant doubt on the authority to acquire land in trust for tribes that were not recognized as of 1934, when the Indian Reorganization Act (IRA) was passed. Tribes have been attempting to push legislation to "fix" the statutory language in the IRA to expand the scope. CSAC has led the effort to organize a coalition of states to develop a legislative proposal and to educate Congressional supporters about this issue through a contract with the firm of Perkins Coie in Washington, D.C. Details of the legislative proposal were contained in the Board memo.

10. REGULATE, CONTROL AND TAX CANNABIS ACT OF 2010

The Regulate, Control and Tax Cannabis Act of 2010, which would amend the California Constitution and state statute to legalize marijuana, will go before the voters on the November 2010 ballot. At the request of the CSAC Medical Marijuana Working Group, staff prepared an analysis of the initiative, as contained in the briefing materials. Supervisor Lovelace, Co-chair of the CSAC Medical Marijuana Working Group, presented the analysis to the Board of Directors. It was noted that model ordinances and other useful information regarding this issue is available on the CSAC website.

11. STATE BUDGET/LEGISLATIVE REPORT

CSAC has established a Realignment Working Group which will be co-chaired by Supervisors Greg Cox and Helen Thomson. The working group will assist in identifying programs potentially appropriate for realignment as well as what, from the county perspective, would be acceptable revenue sources to support programmatic restructuring.

Details on potential impacts to counties of the Governor's May Revise were contained in the briefing materials. CSAC staff has been meeting with legislative staff members regarding the three state budget proposals.

12. INFORMATION ITEMS

Reports on the CSAC Institute for Excellence in County Government, Institute for Local Government (ILG), CSAC Finance Corporation, CSAC Corporate Associates and CSAC Litigation Coordination Program were contained in the briefing materials.

President Oliveira introduced Anne Stausboll, Chief Executive Officer of CalPERS.

Meeting adjourned.