

CALIFORNIA STATE ASSOCIATION OF COUNTIES  
EXECUTIVE COMMITTEE

January 14, 2005  
CSAC Headquarters, Sacramento

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***MINUTES***

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Presiding: Greg Cox, President

I. ROLL CALL

Greg Cox, President	Judy Case, Fresno
Connie Conway, 1 <sup>st</sup> Vice President	Gary Wyatt, Imperial
Frank Bigelow, 2 <sup>nd</sup> Vice President	Valerie Brown, Sonoma
Keith Carson, Alameda	Mike McGowan, Yolo, alternate
Richard Gordon, San Mateo	Richard Vinson, Amador
James Beall, Santa Clara	Bill Dennison, Plumas
Roger Dickinson, Sacramento, alternate	Tony Oliveira, Kings, alternate
John Sansone, San Diego County Counsel, advisor	

II. MINUTES OF OCTOBER 7-8, 2004

The minutes of October 7-8, 2004 were approved as previously mailed.

III. REPORT ON GOVERNOR'S BUDGET FOR 2005-06

Mike Genest, Chief Deputy Director, California Department of Finance, presented a report on the Governor's proposed budget for 2005-06. The proposed budget provides a General Fund spending plan of \$85 billion, which represents a 4.2% increase over last year. Nearly 93% is confined to only three program areas: K-12 and higher education; health and human services; and youth and adult corrections. A major focus of his proposed budget is reforming the state's budget process. The Governor is proposing to cut health and human services programs by \$1.2 billion; suspend Proposition 42 (transportation funding) for two more years, and support a pension reform constitutional amendment. The Governor's reform proposals will be submitted to the Legislature for consideration in a special session. Mr. Genest indicated that there is a possibility that the Governor will call for a special election in November. If that occurs, Mr. Genest predicted that the state budget might not pass until after that election.

IV. APPOINTMENT OF CSAC TREASURER, NACo BOARD OF DIRECTORS AND WESTERN INTERSTATE REGION REPRESENTATIVES

Each year, CSAC appoints a Treasurer, two members to the National Association of Counties (NACo) Board of Directors, and two members to the NACo Western Interstate Region (WIR) Board of Directors. President Cox made the following nominations for 2005: Supervisor Tony Oliveira as CSAC Treasurer; Supervisors Valerie Brown and Gary Freeman as NACo Board of Directors representatives; and Supervisor Gary Gilbert as NACo Western Interstate Region (WIR) representative.

Motion and second to approve all nominations as presented. Motion carried unanimously.

V. APPOINTMENT OF POLICY COMMITTEE CHAIRS AND VICE CHAIRS FOR 2005

President Cox presented the following list of proposed CSAC Policy Committee Chairs and Vice Chairs for 2005:

ADMINISTRATION OF JUSTICE

David Solaro, El Dorado, Chair

John Silva, Solano, Vice Chair

AGRICULTURE AND NATURAL RESOURCES

Curt Josiassen, Butte, Chair

Judy Case, Fresno, Vice Chair

ECONOMIC DEVELOPMENT

Keith Carson, Alameda, Chair

Gary Freeman, Glenn, Vice Chair

GOVERNMENT FINANCE & OPERATIONS

Kathy Long, Ventura, Chair

Mike McGowan, Yolo, Vice Chair

HEALTH & HUMAN SERVICES

Helen Thomson, Yolo, Chair

Barbara Kondylis, Solano, Vice Chair

HOUSING, LAND USE AND TRANSPORTATION

Valerie Brown, Sonoma, Chair

Richard Vinson, Amador, Vice Chair

Motion and second to approve list of CSAC policy committee chairs and vice chairs as presented. Motion carried unanimously.

VI. STATUS OF FY 2005 CSAC BUDGET

Jim Keene reported that CSAC's current budget deficit is \$49,383. He stressed the need to develop a multi-year spending plan in order to manage current year cash flow. Potential program reductions being considered for the coming year include: California Institute for County Government (CICG); CCS Partnership; Route 58; and continuation of staff austerity program. Recommendations in these program areas will be brought back to the Executive Committee on February 24 as part of the proposed CSAC Budget for FY 2006.

A legislative analyst position assigned to the Health and Human Services unit has been vacant for the past legislative session. Staff recommended that the position be filled immediately due to the large amount of legislative activity related to health and human services. The approximate annual salary and benefit cost of this position would be \$75,000 – 80,000.

Motion and second to authorize CSAC staff to fill the Health and Human Services analyst position. Motion carried unanimously.

VII. CONSIDERATION OF OPTIONS TO ADDRESS VIDEOCONFERENCING PROGRAM SHORTFALL

The CSAC video conferencing program, Route 58, was developed four years ago in an effort to bring counties together in a more cost-efficient manner by reducing travel costs associated with

attending statewide meetings. It also demonstrated that distance learning for county personnel was possible on a large scale. However, regular use of video conferencing for CSAC meetings did not materialize and sales of multipoint bridging service did not grow fast enough to offset operating costs. Currently, this program has an annual operating deficit of over \$200,000.

Staff presented two options for addressing the shortfall: shut down the program and refer counties to a third-party bridging service; or make changes and continue the program. Details of both options were contained in the briefing materials. Following a lengthy discussion, staff was directed to: compile utilization information; prepare an analysis on whether or not the program is meeting CSAC needs; report on marketing strategies and options; and prepare a cost breakdown by category. Further, staff was directed to present the requested information at the February 24 meeting as part of the proposed CSAC Budget for FY 2006.

#### VIII. CONTINUED PARTICIPATION IN LOCAL COALITION

It is the opinion of staff that CSAC has derived enormous benefit from participation in the Leave Our Community Assets Local (LOCAL) Coalition and that the effort should be continued. During the Proposition 1A campaign, CSAC utilized professional media services provided by Bicker, Castillo and Fairbanks. Staff recommended that CSAC enter into a new contract with this firm to provide media strategies related to reform efforts, budget and significant legislative issues. The three associations involved in the coalition, CSAC, the League of California Cities, and the California Special Districts Association would share the cost of the contract equally. CSAC's share would be \$80,000 per year.

Motion and second to direct staff to meet with other LOCAL partners and bring back a proposal that includes specific issues to be included in the contract with Bicker, Castillo and Fairbanks. Motion carried unanimously.

#### IX. STATE AND FEDERAL LEGISLATIVE PRIORITIES FOR 2005

Staff presented draft CSAC State and Federal legislative priorities as contained in the briefing materials. The federal priorities are administered through a contract with Waterman & Associates, whereby they advocate on four issues and monitor/report on four issues of CSAC's choosing. The areas identified under "Advocacy" were: Tribal Authority in Relation to Gaming; State Criminal Alien Assistance Program (SCAAP); Reauthorization of Temporary Assistance to Needy Families (TANF); and Reauthorization of TEA-21. The areas included in "Monitor/Report" were: Social Security Reform; Remote Sales Tax; Base Realignment and Closure (BRAC); and Medicaid. It was suggested that *Medicaid* be moved to "Advocacy" and *Reauthorization of TEA-21* be moved to "Monitor/Report."

Motion and second to approve state and federal priorities as amended. Motion carried unanimously.

Staff was directed to obtain and distribute details on the Governor's proposal to abolish some state board and commissions.

#### X. CSAC FINANCE CORPORATION PROGRAMS UPDATE

Staff announced that there are currently 130 cities and counties participating in the Vehicle License Fee (VLF) Gap Loan Program. Also, the Pension Obligation Bond (POB) program continues to be very active with the next closing taking place July 1. Seminars on the POB program are being held throughout the state. The CalTRUST program is now operational. This program was created for the purpose of pooling local agency assets for investment purposes.

XI. CSAC REFORM TASK FORCE

The CSAC Reform Task Force was appointed during the October 2004 Executive Committee retreat for the purpose of developing strategy to implement reform issues. It is anticipated that during the 2005-06 legislative session the following issues may evolve into major reform efforts: housing, transportation, local revenue raising authority, health and human services realignment, juvenile justice reform, retirement reform, state mandate filing procedures, booking fees, and Community Development Block Grants (CDBG).

The Executive Committee added the issue of Medi-Cal and health care coverage to the list of reform efforts and appointed Supervisor Bill Dennison as an additional member of the task force.

Staff was directed to incorporate recommendations from the California Performance Review (CPR) into the work of the task force as well as CSAC policy committee recommendations.

XII. COMMUNICATIONS BETWEEN EXECUTIVE COMMITTEE AND CSAC STAFF

President Cox encouraged all Executive Committee members to contact Jim Keene, CSAC's new Executive Director, with questions on any issues they have.

XIII. OTHER ITEMS

*NACo Report.* Supervisor Valerie Brown serves as chair of the NACo Membership Committee. She reported that Orange County recently voted to not renew their NACo membership for 2005. She explained some of the benefits of NACo membership and requested that counties represented on the Executive Committee who are currently not part of NACo consider becoming members. She also encouraged Executive Committee members to participate on NACo steering committees.

*CSAC/NACo Scholarships.* President Cox asked for Executive Committee input in choosing supervisors to participate in the CSAC/NACo scholarship program. This program was started a few years ago with the goal of beginning to define potential future CSAC leaders, and to introduce them to the current CSAC officers. The NACo Legislative Conference has been used as the venue to bring these potential leaders together with current Association leadership. The recipient receives an all-expense paid trip to the NACo Legislative Conference and attends Capitol Hill meetings with the CSAC officers. Staff was directed to develop a structure for the program and bring back to the Executive Committee at a future meeting.

*CAO Pension Reform Committee.* Contra Costa County Administrator John Sweeten chairs a committee of CAOs that is developing recommendations to deal with pension reform legislative proposals currently in the Legislature. The committee will be working through CSAC's Government Finance and Operations policy committee to bring a set of recommendations to the CSAC Board of Directors at the February 3 meeting.

Meting adjourned.