

CALIFORNIA STATE ASSOCIATION OF COUNTIES
EXECUTIVE COMMITTEE
October 8-9, 2015
Cambria Pines Lodge, Cambria, CA

M I N U T E S

1. Roll Call

Richard Forster, 1 st Vice Pres.	Henry Perea, Fresno
Dave Roberts, 2 nd Vice Pres.	Linda Seifert, Solano (alternate)
John Gioia, Immed. Past Pres.	Virginia Bass, Humboldt
Keith Carson, Alameda	Ed Valenzuela, Siskiyou
Ken Yeager, Santa Clara	Judy Morris, Trinity (via audio)
Kathy Long, Ventura (alternate)	Rick Haffey, CAOAC Advisor
Bruce Gibson, San Luis Obispo	Charles McKee, Co. Counsel Advisor
Leonard Moty, Shasta	

2. Approval of Minutes

The minutes of August 6, 2015 were approved as previously mailed.

3. Discussion with CSAC Finance Corporation Board

Supervisor Linda Seifert was recently elected President of the CSAC Finance Corporation Board and Alan Fernandes has been selected as the new Executive Vice President, replacing Nancy Parrish.

Board members Les Brown and Jim Erb participated in a presentation regarding current Finance Corporation programs which are:

- California Statewide Communities Development Authority (CSCDA). This program is the only conduit issuer in California that benefits all cities and counties through a relationship with CSAC/CSAC Finance Corp. and the League of California Cities.
- US Communities. A pooled purchasing program that leverages the purchasing power of over 90,000 public agencies. There are over 30 products, services and solutions contracts available.
- Nationwide Retirement Solutions. This program provides county employees with 457 deferred compensation plans and retirement services.
- CalTRUST. A local government investment pool open to all California counties, cities, special districts, other public agencies and non-profits.
- Coast2Coast RX. A prescription drug discount program available to all county residents for discounted prescriptions. Counties receive \$1.25 for each prescription filled utilizing the card.

- Medcor. Onsite employee health clinics for county employees and their dependents. Provides a fixed-cost solution for employees and their dependents to seek primary and preventative care services, eliminating claims against insurance.
- Towers Watson OneExchange. A healthcare exchange solution for both Medicare-eligible and pre-65 retirees.

CSAC Finance Corporation staff urged Executive Committee members to assist in marketing efforts by completing a Program Referral Form. The form will help in identifying the appropriate county staff to contact for each Finance Corporation program.

4. CSAC Policies and Procedures Manual Update

Staff distributed an updated version of the CSAC Policies & Procedures Manual, which includes details on various CSAC policies. This document is a companion piece to the CSAC Constitution.

5. 2015 CSAC Legislative Achievement Report

Staff outlined the major state and federal legislative accomplishments for 2015. Some highlights included: Pre-2004 mandate debt paid in full, totaling \$535m for counties; the three-bill marijuana regulation legislative package that was sent to the Governor includes county priorities; Medi-Cal administration funding was increased by \$245m to cover additional county costs; Gaming compact renewals include enforceable mitigation and trust fund revenue; PILT payments to counties were received for the first time in 12 years; Continuum of care reformed for foster youth; and State fairs received \$6m in state funding. Details on these and other CSAC achievements were contained in the briefing materials. It was noted that the CSAC legislative unit has undergone many changes during the past year with the departure of three senior lobbyists. The new members of the advocacy team are doing well.

Staff was directed to send the list of Governor's actions on county-related legislation to the Executive Committee.

6. 2015 CSAC Operations and Member Services Report

Supervisor Judy Morris, CSAC Treasurer, reported that CSAC's fiscal position is healthy. CSAC has an operating reserve that includes an additional \$550,000 above the six-month reserve target. In addition, CSAC completed a fiscal risk assessment to identify opportunities to strengthen fiscal operations and adopted new accounting procedures to increase transparency of operations.

Staff reported that the CSAC Institute continues to be an outstanding success and recently expanded to offer satellite courses in San Diego and Merced Counties. Plans are under way for a Bay Area satellite next year. The CSAC

Corporate Partnership Program had a strong year in 2015. Currently there are 27 Premier partners, 7 Executive partners and 32 Associate partners. CSAC continues to utilize new technologies to expand its communications abilities, especially in the social media arena. A monthly webinar series was recently launched. To date, four webinars have been held on a variety of topics ranging from the drought and wildfires to open data. A panel of 15 judges met recently to select the 2015 CSAC Challenge Award winners. These awards are presented annually to spotlight the most innovative, cost-effective programs developed by California counties. There were 254 entries this year.

7. CSAC Annual Meeting Report

Staff reported that registration numbers are up this year. CSAC has secured an interesting line up of speakers for the conference. A challenge this year is that the Monterey conference center will be undergoing renovations during CSAC's meeting so most meetings will take place at the Marriott Hotel.

8. 2015 CSAC Litigation Coordination Program Achievements Report

Staff reported that 57 new amicus requests were filed this year and amicus briefs or letters were filed in 37 cases. Since 1982, CSAC's Litigation Coordination Program has advocated for counties in state and federal courts, as well as before administrative agencies. The program allows counties to save litigation costs by coordinating in multi-county cases, and by sharing information and resources.

9. Distinguished Service Award Recipients

Each year the Executive Committee is asked to select a recipient for the CSAC Distinguished Service Award which is presented during the annual conference to those who have made the greatest contribution to the improvement of county government in California. This year, staff recommended the following nominees: State Controller Betty Yee; Senator Jim Beall; Department of Finance Director Michael Cohen; and Joe Dhillon, Senior Advisor to the Governor for Tribal Negotiations.

Motion and second to approve Betty Yee as Distinguished Service Award recipient. Motion carried unanimously.

Motion and second to approve Senator Jim Bell as Distinguished Service Award recipient. Motion carried unanimously.

Motion and second to approve Michael Cohen as Distinguished Service Award recipient. Motion carried. Supervisor Valenzuela was recorded as a 'no' vote.

Motion and second to approve Joe Dhillon as a Distinguished Service recipient. Motion carried unanimously.

10. Circle of Service Award Nominees

Staff outlined the list of suggested recipients for the 2015 Circle of Service Award which was created to recognize county officials, department directors, staff, Corporate Associates and other CSAC members whose service to CSAC and counties sets them apart. The list of nominees was contained in the briefing materials. In addition, Supervisor Bass recommended that retiring Humboldt County Health and Human Services Director Phillip Crandall be given this award.

Motion and second to give the award to: Rick Haffey, Judith Reigel, Suzanne Mason, Larry Combs, Charles Lomeli, CSAC Finance Corporation Board of Directors, California's Loyal Order of Dedicated Servants (CLODS), and Phillip Crandall. Motion carried unanimously.

Motion and second to send a letter of recognition to Joe Krahn. Motion carried unanimously.

11. Audited Financial Statements for FY 2014-15

Supervisor Judy Morris, CSAC Treasurer, presented the CSAC audited financial statements for FY 2014-15, as contained in the briefing materials. She reported that the audit indicated that CSAC was eligible for a tax credit resulting from the sale of the Ransohoff building. In addition, the audit findings noted that CSAC was a victim of an email wire fraud scam.

Motion and second to accept the CSAC audited financial statements for FY 2014-15. Motion carried unanimously.

Staff was directed to develop a policy for periodic review of CSAC contracts.

12. Draft CSAC Strategic Plan

Staff presented a draft CSAC Strategic Plan for consideration. The plan, developed by CSAC staff with input from CAOAC officers, reflects goals and objectives to best meet member priorities over the coming years. Executive Committee members provided input on various areas of the plan. An amended draft will be presented to the Board of Directors for adoption in December.

13. Amendments to CSAC Constitution

CSAC staff periodically reviews CSAC's governing documents to ensure alignment to organizational practices and priorities. Following a recent review, counsel is recommending two clarifying changes to the CSAC Constitution related to the Brown Act and to financial involvement in issue campaigns.

Counsel indicated that while there is no specific legal authority applying the Brown Act to an organization like CSAC, the current method for Board of

Director appointments creates some ambiguity about whether CSAC is a “legislative body” as defined by the Brown Act. Staff recommended that the CSAC Constitution be amended to provide that each county nominates one or more supervisors to serve on the Board of Directors with the appointments to the Board to be made by the CSAC Executive Committee. This recommendation would allow CSAC to continue its practice of transparency without subjecting itself to potential liability for technical Brown Act violations, and would also conform to the practices of similar organizations such as League of California Cities, Association of California Water Agencies and the California Special Districts Association.

Motion and second to recommend to the Board of Directors that it approve the staff recommendation that each county nominates one or more supervisors to serve on the Board of Directors, with the appointments to the Board to be made by the Executive Committee. Motion carried unanimously.

The second recommended change to the CSAC Constitution incorporates a super-majority vote requirement for financial involvement in issue campaigns, which the Board of Directors adopted in 2008.

Motion and second to recommend to the Board of Directors that CSAC adopt a 2/3 vote requirement for the Board to approve financial participation in issue campaigns. Motion carried unanimously.

The meeting adjourned to a closed session.