

CALIFORNIA STATE ASSOCIATION OF COUNTIES
EXECUTIVE COMMITTEE
October 5-6, 2017
Claremont Hotel, Berkeley, CA

MINUTES

1. Roll Call

Keith Carson, President	Chuck Washington, Riverside, alternate
Leticia Perez, 1 st Vice Pres.	Bruce McPherson, Santa Cruz
Virginia Bass, 2 nd Vice Pres.	Leonard Moty, Shasta
Richard Forster, Immed. Past Pres.	Steve Worthley, Tulare
Scott Haggerty, Alameda	James Gore, Sonoma, alternate
John Gioia, Contra Costa	Ed Scofield, Nevada
Mark Ridley-Thomas, Los Angeles	Lee Adams, Sierra
Lisa Bartlett, Orange	Ed Valenzuela, Siskiyou
Carole Groom, San Mateo	
Ken Yeager, Santa Clara	

2. Discussion with CSAC Finance Corporation Board Members

Supervisor Leonard Moty, President of the CSAC Finance Corporation Board, presented an update along with fellow Board members Billy Rutland and Mike Johnson. The Finance Corp. is in the process of developing a new program that would enable installment payments of property taxes and ultimately result in a lowering of the transaction fee currently paid by taxpayers. The program is called Smart Easy Pay.

Another new venture is the California Cannabis Authority (CCA), a Joint Powers Authority created by contract between counties with cannabis regulatory or taxing authority. The purpose of CCA will be to focus on addressing the complex problems surrounding the substantial increase in cash payments to state and local governments expected from cannabis businesses. One of the most significant impediments to the "mainstreaming" of cannabis regulatory compliance and taxation is the lack of banking services for cannabis cash collection. In turn, the largest impediment to providing access to banking services for cannabis businesses is the demand on banking institutions to conduct enhanced due diligence (EDD). This involves commercial banks taking on the responsibility to ensure their customers are not engaging in money laundering and are complying with state and local laws regulating and taxing the industry. The cost to individual banks to create such oversight mechanisms is

extraordinary, and as a result, few do. The proposed CCA can help reduce the burden on state and local governments by reducing the due diligence burden on banks, by providing them much of the information required to comply with EDD. The CCA will collect and analyze licensing, financial and accounting data of cannabis-related businesses using a sophisticated data platform. The proposed CCA will also have the ability to issue deposit slips on behalf of local taxing entities and can be used to make a tax payment at a financial institution directly into a local government's account.

3. Approval of Minutes

The minutes of August 3 and August 23, 2017 were approved as previously mailed.

4. Distinguished Service Award

Staff presented a suggested list of recipients for the CSAC Distinguished Service award which is given to the person or persons who have made the greatest contribution to the improvement of government in California, particularly as it relates to county government. The following nominees were recommended for this award:

Senator Mike McGuire, Chair, Senate Governance and Finance Committee

Senator Jim Beall

Assembly Member Jim Frazier

Brian Kelly, Secretary, California State Transportation Agency

Motion and second to approve Senator Mike McGuire for the Distinguished Service Award. Motion carried unanimously.

Motion and second to approve Senator Beall and Assembly Member Frazier for the Distinguished Service Award. Motion carried. Orange County abstained.

Motion and second to approve Brian Kelly for the Distinguished Service Award. Motion carried. Orange County abstained.

Motion and second to add Senator Bill Dodd to the list of recipients. Motion carried unanimously.

5. Circle of Service Awards

Staff presented a list of eight individuals who are recommended for the 2018 CSAC Circle of Service Award. The award was created to recognize county

officials, department directors, staff, corporate members, and other CSAC members whose service to CSAC and counties sets them apart. The following nominees were recommended for this award:

Ken Yeager, Santa Clara County Supervisor

David Twa, Contra Costa County Administrative Officer

Helen Robbins-Meyer, San Diego County Administrative Officer

Susan Muranishi, Alameda County Administrator

Andy Pease, San Diego County HHS Agency Director

Eileen Cubanski, County Welfare Directors Assoc. Policy Analyst

John Presleigh, Santa Cruz County Public Works Director

Larry Spikes, Kings County Administrative Officer

Motion and second to approve all nominees. Motion carried. Orange County abstained on Presleigh's nomination only.

6. Audited Financial Statements for FY 2016-17

An audit is conducted annually to review CSAC's financial records. This year's audit has not yet been finalized due to the need to consolidate the CSAC Finance Corporation's audit with CSAC's. Therefore, staff recommended that the Executive Committee conditionally approve the 2016-17 Audited Financial Statements. The item shall be revisited only to the extent there are material changes due to the consolidation with the Finance Corporation.

Motion and second to conditionally approve the 2016-17 Audited Financial Statements. Motion carried unanimously.

Staff noted that Executive Committee members will receive a copy of the final audit once it is completed.

7. CSAC Legislative Achievements Report for 2017

Staff presented a video outlining CSAC achievements for the year. Staff also reported on the top legislative issues CSAC tackled during 2017. They were: significantly mitigating the IHSS MOE cost shift of \$600m to counties proposed in the Governor's January budget; Securing \$750m a year in new transportation revenues for the 58 counties under SB 1; defeating the labor-sponsored bill AB 1250 that would have restricted boards' discretion to contract out for efficient delivery of critical services; and securing the veto of SB 649 that would have pre-empted boards regarding the siting of small cell towers and counties' ability to charge telecommunication companies for the use of public right of way.

8. CSAC Operations & Member Services Achievement Report

The CSAC communications team worked closely with legislative staff on the significant legislative issues that CSAC faced this year to assist in messaging and outreach efforts. Social media has continued to play an increasingly vital role in CSAC's communications strategies.

CSAC revamped its Challenge Awards format in 2017, creating new entry categories in both program areas and population. The result was a record number of entries – 288.

The CSAC/Results First Partnership began in 2015 and is centered on evidence-based and cost-effective criminal justice programming at the local level. The goal is to develop county capacity to make evidence-based policy decisions that produce the best outcomes. The effort began with the pilot counties of Kern, Santa Barbara, Fresno and Santa Cruz, and has been expanded to Santa Clara, Ventura, Nevada and Solano.

CSAC sponsors three regional meetings each year. These meetings focus on statewide or regional policy issues, providing an opportunity for learning and dialogue in counties throughout the state.

Staff reported that a CSAC constitutional change will be going to the Board of Directors in November. Specifically, it will remove the provision that requires the CSAC second vice president position to rotate between north and south state. Information will be sent to all county supervisors soon.

9. Fueling Innovation Presentation

Dr. Mary Deveraux presented a "futures briefing" to assist and inform counties about innovation taking place that counties need to prepare for. She has much insight into long-term business forecasts and trend analysis and has worked with a number of California counties to support their development of innovation.

Meeting adjourned.