

CALAFCO 2018 Annual Meeting

Thursday, October 4, 2018

REGIONAL CAUCUSES

8:00 a.m. to 8:45 a.m.

ANNUAL MEETING

9:00 a.m. to 10:00 a.m.

Tenaya Lodge

1122 CA-41

Fish Camp, CA 93623

Salons I-II-III

ANNUAL MEETING AGENDA

1. Call to Order/Roll Call of Member LAFcos Gay Jones, Chair
2. Approve Minutes from the October 26, 2017 CALAFCO Business Meeting at the Bahia Mission Bay, San Diego, CA.
3. Introduction of Board Members elected by regional caucuses Anita Paque
Elections Committee Chair
4. Election for any at-large seats to the Board of Directors Anita Paque
Elections Committee Chair
 - 4.1. Nominations from the Floor
 - 4.2. Candidates Forum
 - 4.3. Voting Process
5. Introduction of Associate Members Pamela Miller, Executive Director
6. New Business
7. Report from the Board of Directors on significant Association activities in 2018 Executive Board Members
8. Comments from CALAFCO Members

Adjourn to the 2019 Annual Business Meeting, Thursday, October 31, 2019, at the Hyatt Regency, Sacramento, CA.

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2017 Annual Business Meeting
DRAFT MINUTES

Meeting of October 26, 2017
Bahia Mission Bay, San Diego, CA

1. Call to Order/Roll Call

James Curatalo, Chair of the CALAFCO Board of Directors, called the meeting to order at 9:09 a.m. and led the membership in the pledge of allegiance. He asked Stephen Lucas, CALAFCO Executive Officer to call roll. The following CALAFCO Member LAFcos were in attendance for roll call:

Alameda	Mendocino	San Luis Obispo
Butte	Merced	San Mateo
Calaveras	Monterey	Santa Barbara
Colusa	Napa	Santa Clara
Contra Costa	Nevada	Santa Cruz
Del Norte	Orange	Shasta
El Dorado	Placer	Solano
Fresno	Plumas	Sonoma
Humboldt	Riverside	Stanislaus
Imperial	Sacramento	Sutter
Kern	San Benito	Tulare
Los Angeles	San Bernardino	Ventura
Madera	San Diego	Yuba
Marin	San Joaquin	

With **41** member LAFcos in attendance, a quorum was present.

2. Approve Minutes from the October 27, 2016 CALAFCO Business Meeting at the Fess Parker Doubletree, Santa Barbara, CA.

Upon a motion from Imperial LAFco and second from Marin LAFco, the October 27, 2016 Business meeting minutes were unanimously approved.

3. Introduction of Board Members Elected by Regional Caucuses

Nominations Committee Chair John Leopold congratulated all of the newly elected and re-elected Board members and thanked everyone who ran for office. He announced the newly elected members of the Board of Directors as follows:

SOUTHERN REGION	CENTRAL REGION
Mike Kelley*, Imperial	Bill Kirby*, Placer
Jo MacKenzie, San Diego	Anita Paque*, Calaveras
COASTAL REGION	NORTHERN REGION
Margie Mohler, Napa	Bill Connelly*, Butte
Susan Vicklund Wilson, Santa Clara	Debra Lake, Humboldt

* Incumbent

4. Election of any At-Large Seats to the Board of Directors

No action required.

5. Introduction of Associate Members

Executive Director Pamela Miller introduced the Associate Members and thanked them for their partnership and support of the Association.

6. New Business

None.

7. Report from the Board of Directors on Significant Association Activities in 2017

Chair Curatalo introduced the members of the Executive Committee and thanked the Board for their hard work this past year.

He reported the Board began the year by conducting their biennial strategic planning retreat, in which a number of critical conversations occurred. Specifically he noted conducting a full review of the Association's performance in meeting the 2016 objectives and reporting the "dashboard report card" to the membership shortly thereafter; having a lengthy discussion about how we conduct our legislative affairs and considered whether or not to change our 501(c)3 status to allow for more extensive lobbying, and a unanimous decision by the Board to support the Association's current mission of being an educational organization. Chair Curatalo continued by saying the Board spent time carefully considering roles and responsibilities of the Board, staff and committees, the long-term financial sustainability of the organization, empowering and educating our members, and looking at what is putting our member LAFcos and the Association at risk. These issues became the benchmark of the three areas of the 2017-2018 Strategic Plan.

Chair Curatalo also reported CALAFCO continues to be a premier Association striving to create value for our membership, noting however we are still a volunteer organization, relying a great deal on the volunteerism of our members, adding we've made great progress over the past ten years in building internal resources and capacities to try and move into a more stable model of operation. He closed by commenting that the Association has experienced great growth and some very positive transformations over the past ten years and the Board eagerly looks forward to the future possibilities of the Association.

Secretary Josh Susman reported on the educational activities of the year and CALAFCO's communication tools. He noted all of our sessions are accredited by the American Planning Association to provide AICP credits for certified planners and legal counsel receive MCLE credits for their special counsel sessions.

He reported on the Staff Workshop noting this year it was in Fresno hosted by Fresno LAFCo with 92 staff and 7 Associate Members present. He announced the 2018 Staff Workshop is set for April 11 - 13 in San Rafael and will be hosted by Marin LAFCo.

Secretary Susman reported on this year's Conference noting there are about 250 in attendance enjoying a really strong program. He commented this is the first time conducting the Conference in the new model of CALAFCO assuming the role and responsibilities of host.

He reported on CALAFCO University activity noting one session was held June 26 in Sacramento with the topic ***When Opinions Collide – Exploring the unique perspectives of LAFCo Commissioners, Legal Counsel and Staff.*** This session had 28 LAFCo staff and Commissioners in attendance, all giving the session very high ratings. He announced an upcoming session set for December 4 in Orange county, which will be repeated in January 2018 in Sacramento, with the topic being ***LAFCo's Evolving Mission: New Laws, Requirements and Transparency.***

Secretary Susman covered all of the Association's communication tools including the eight list serves, our website, quarterly reports and the annual edition of The Sphere.

Vice Chair Jones reported on the Association's legislative activities over the past year. She began by thanking the volunteers on the legislative committee for their hard work and dedication. She noted due to our efforts to help solve problems and resolve issues constructively, CALAFCO continues to be a sought-after resource to legislative committees, members and staff, and to state agencies.

This year CALAFCO tracked a total of twenty-two (22) bills, sponsored three (3) bills and took formal positions on eleven (11) other bills. She reported all three of our sponsored bills were signed into law by the Governor. Vice Chair Jones noted that even though we said we wanted a limited legislative platform, sponsoring three bills is not representative of that and is something we must work on as an organization going forward.

She noted legislative highlights beyond our sponsored bills included the extensive work done on SB 448, a bill requiring LAFCos to dissolve inactive districts through a streamlined process. She also commented the trend of bills being introduced that either bypass LAFCo or somehow divest LAFCo of authority seems to continue and CALAFCO continues to be committed to educating and informing the Legislature about LAFCo. She went on to encourage everyone to build relationships at the local level with state legislators and stay connected with them, reach out to them when there is a bill affecting LAFCo – either negatively or positively – ask for their help and to write letters and make phone calls.

Vice Chair Jones closed by stating this year the Association expended a lot of resources toward the Little Hoover Commission (LHC), noting their study of special districts and LAFCos went on for a full year. She asked Executive Director Pamela Miller to report on the outcome of the LHC report.

Executive Director Pamela Miller reported on the outcome of the LHC report and the recommendations that directly affect LAFCos. She noted of the twenty total recommendations, eight were LAFCo-related in the areas of oversight, transparency and governance. After reviewing all eight recommendations (while noting some are already being acted upon), she reported the path forward will be likely to focus on securing one-time grant funds for LAFCos based on recommendation number two in the report.

Treasurer Mike McGill reported on the Association's finances for the year, noting CALAFCO once again earned the Guide Star Exchange Gold Seal in recognition of our transparency and completeness in documentation. He noted the current fiscal year began with a net balance carryover of \$30,384 plus a transfer to Fund Reserve of \$4,000. The total budget is \$433,487, which includes the carry-over net balance of \$30,384, contingency fund of \$14,398, and the \$4,000 transfer to Fund Reserve. He stated we are once again relying on the carryover balance and the Conference net profit to balance the budget. Treasurer McGill reported the FY 2017-18 budget includes the second year of the two-year planned member dues increase of 7% per year. He added the Board does its due diligence in reviewing financial reports in detail at every meeting. He closed by noting a full financial report can be found in the Annual Report to the membership in this edition of The Sphere.

Chair Curatalo then reported the Executive Committee was directed by the full Board to appoint an ad hoc committee to review the matter of long term financial sustainability and growth for the Association. The Board requested there be representation of former board members who were a part of a similar discussion 10-12 years ago to add historical perspective. He stated the Executive Committee wanted full representation – all regions – all types and budget sizes, and there was unanimous support for those selected all of whom have eagerly agreed to participate.

Chair Curatalo announced the members of this ad committee:

- Cheryl Brothers (current Board – southern region – urban – city)
- Mike McGill (current Board – coastal region – urban – district) will chair the committee
- Bill Connelly (current Board – northern region – suburban – county)
- Anita Paque (current Board – central region – rural – public)
- Jerry Gladbach (former Board – southern region – urban – district)
- Roger Anderson (former Board – coastal region – suburban – public)
- Blake Inscore (Del Norte Commissioner – northern region – rural – city)
- Incoming Board Chair Gay Jones will be an ex officio member of this group (non-voting)

He reported the primary focus of this ad hoc subcommittee is to look at ways to make CALAFCO financially sustainable in the long-term, stating they will do this by: Exploring options for more sustainable revenue sources; examining current member LAFCo dues structure; make a recommendation on what the appropriate Reserve Fund amount should be, and recommend a path to get there; make a recommendation on what the appropriate carryover net balance amount should be annually; and possibly examining current Associate Member cost/benefit structure.

He stated the Board envisions this to be a lengthy process – likely at least a year – and the ad hoc committee will bring their ideas and recommendations to the full Board for consideration, and the Board's goal is to bring something back to the membership at the next annual business meeting for discussion.

Chair Curatalo closed by thanking the membership for allowing him to be the Chair for the past year. He thanked his commission for supporting him, the hard working volunteer Board members, and all of the volunteers who are dedicated to CALAFCO. He thanked

CALAFCO staff including Executive Officer Steve Lucas, Deputy Executive Officers David Church, Kris Berry and Carolyn Emery, CPA Jim Gladfelter, Legal Counsel Clark Alsop, Administrator Jeni Tickler and Executive Director Pamela Miller.

8. Comments from CALAFCO Members

Mike Kelley (Imperial LAFCo Commissioner and CALAFCO Board member) requested CALAFCO put something together for use by CALAFCO and member LAFCos to educate legislators on the Little Hoover Commission report and the potential request of asking for grant funds.

Adjourn

Chair Curatalo adjourned the meeting at 10:10 a.m. to the 2018 Annual Business Meeting on Thursday, October 4, 2018 at the Tenaya Lodge in Yosemite, CA.

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17 September, 2018

TO Regional Representatives and Member LAFCos

FROM Anita Paque, Committee Chair
CALAFCO Election Committee

RE **Election Committee Report for 2018 CALAFCO Board Elections**

In accordance with the CALAFCO Bylaws and Nomination and Election Procedures, the CALAFCO Election Committee has solicited nominations for the regional election of the eight open director positions on the CALAFCO Board of Directors. The elections will be conducted in regional caucuses to be held at the annual conference on Thursday, October 4, 2018 from 8:00 to 8:45 a.m. Any seat not filled through the regional caucus election process in accordance with CALAFCO Bylaws will be filled through an at-large election for one term at the Annual Meeting on Thursday, October 4, 2018, beginning at 9:00 a.m.

Attached is a list of the candidates nominated within each of the four regions (Northern, Central, Coastal and Southern) for their respective city, county, special district and public member seats. Nominations from the floor will also be solicited during the caucus election process. All terms are two years.

Those member LAFCos not in attendance at the annual meeting may vote by electronic ballot in advance of the meeting. They may only vote for those candidates nominated by the Election Committee and listed on the ballot. CALAFCO did not receive any requests for electronic ballots prior to the deadline.

Pursuant to Section 4.2.2 of the CALAFCO Bylaws, the Board has determined that a quorum of a region's LAFCos must be present during the caucus election. In the event that less than 50% of a region's LAFCos are present in the regional caucus (including electronic ballots) to vote for the purpose of filling an open director position, it becomes at-large for one term and shall be elected at the Annual Meeting.

The CALAFCO Election Committee has confirmed that all nominations were complete and received by the final filing date of September 4, 2018 at 5:00 p.m. We received nominations for all but one vacant seat, the county member in the Coastal Region. Nominations from the floor will be solicited at the Coastal Region Caucus to fill that vacancy. If none are received, nominations from the floor of the general meeting will be solicited.

Copies of the nomination forms and resumes of all candidates within your region are attached and are posted on the CALAFCO website in the Members section at: www.calafco.org. All nominations and resumes will also be posted at the annual conference near the registration desk.

cc: CALAFCO Board of Directors

NOMINATIONS FOR THE 2018 BOARD OF DIRECTORS ELECTIONS

Seat	Nominee	County	Region
NORTHERN REGION			
City	Stanley Cleveland	Sutter	Northern
Public	Josh Susman*	Nevada	Northern
CENTRAL REGION			
County	Shiva Frentzen*	El Dorado	Central
District	Gay Jones*	Sacramento	Central
COASTAL REGION			
County			
District	Michael McGill*	Contra Costa	Coastal
SOUTHERN REGION			
City	Cheryl Brothers*	Orange	Southern
	Bill Wells	San Diego	Southern
Public	Derek McGregor	Orange	Southern
	David West	Imperial	Southern

* *incumbent*