

Approval of Minutes of the July 12, 2017 Meeting

(Board Members absent from the meeting will be recorded as abstained unless the Board Member indicates otherwise)

Supervisor Rex Bohn, Humboldt County, motioned to approve the minutes of the July 12, 2017 RCRC Executive Committee Meeting. Supervisor Les Baugh, Shasta County, seconded the motion. Motion passed.

Public Comment

None

RCRC Closed Session

Conference with Legal Counsel – Existing Litigation

The Rural County Representatives of California Executive Committee convened a closed session at 12:57 p.m. pursuant to Government Code Section 54956.9(d)(1).

At 1:15 p.m., the closed session of the RCRC Executive Committee was adjourned.

The RCRC Executive Committee was provided information, and no action was taken.

At 1:22 p.m., the RCRC Executive Committee Meeting was reconvened.

Rural Leadership Awards

Paul A. Smith, Vice President of Governmental Affairs, reviewed the process for selecting a recipient for the annual Rural Leadership Awards. The Governmental Affairs staff recommended that Senator John Moorlach (R – Orange) and Assembly Member Anna Caballero (D – Monterey) receive the 2017 Rural Leadership Awards for their work on behalf of rural California counties during the 2017 Legislative Session. The RCRC Executive Committee was in full support of the staff recommendations.

RCRC Policy Principles Discussion

Paul A. Smith discussed the idea of a full overhaul of the RCRC Policy Principles. Mr. Smith discussed how long and extensive the current Policy Principles are. The Governmental Affairs staff believe that with less specific guidelines, the RCRC Board of Directors will be able to take a position on more policy proposals that impact rural California.

The RCRC Executive Committee discussed this idea at length, and is supportive of RCRC staff providing their proposed changes to the Policy Principles in a red-line version so that the full RCRC Board of Directors can see exactly what changes are being made to the document. The Executive Committee requested that the red-line version as well as the clean version be provided for easy comparison of the two documents.

Government Affairs Update

Paul A. Smith reminded the Executive Committee that the Legislature has been on a recess, which is why there has been little to report the past few weeks. Mr. Smith discussed that Federal Tax Reform has been receiving a lot of press lately as well as stirring up a lot of conversation. Mr. Smith noted that RCRC is very aware of what is going on and wanted to let the Executive Committee know that while RCRC has not formally engaged in any of the conversation, our lobbying teams are very involved in the development of a reform package.

Mr. Smith also discussed the importance of members weighing-in on CalPERS initiatives such as continuing increases to employer contributions and proposed changes in discount rates. Lisa McCargar, Chief Financial Officer, continues to attend the CalPERS meetings on behalf of the rural counties.

RCRC Quarterly Budget and Investment Reports

Lisa McCargar presented the RCRC Quarterly Investment Report, the Budget Report, and the Cash and Investments Report for period ending September 30, 2017.

RCRC Bylaws Proposed Revisions to the Composition, Qualifications, and Terms of the Executive Committee

Greg Norton and Paul A. Smith provided some suggested revisions to the RCRC Bylaws to the RCRC Executive Committee. Mr. Norton reviewed the proposed revisions including having a two-year term for Executive Committee Members, as well as qualifications such as being on the RCRC Board of Directors a minimum of one year prior to sitting on the Executive Committee. Lastly, Mr. Norton suggested that the GSFA Chair should be included on the RCRC Executive Committee. The Executive Committee discussed, and it was decided, that the GSFA Chair would serve as an Ex Officio member of the RCRC Executive Committee, but not be given any voting rights.

Recommendation

It is recommended that the RCRC Executive Committee review the proposed revisions for approval, and upon approval, direct the President & CEO to present the proposed revisions to the full RCRC Board of Directors for approval.

Supervisor David Rodgers, Madera County, motioned to approve the Proposed Revisions to the RCRC Bylaws with the amended language. Supervisor Doug Teeter, Butte County, seconded the motion. Motion passed.

RCRC 2018 Proposed Budget

Lisa McCargar presented the 2018 proposed RCRC budget with the Executive Committee.

Recommendations

Staff recommended that the RCRC Executive Committee approve the following and direct the RCRC President & CEO to make the same recommendations to the RCRC Board of Directors:

1. Approve the attached proposed 2018 RCRC Operating Budget.
2. Approve the RCRC contract service fees at the following amounts:
GSFA - \$2,633,000; ESJPA - \$63,000; and NHF - \$2,114,000
3. Approve the RCRC contract Performance Fee from GSFA based on projected GSFA housing program net revenues generated in 2018 in the amount of \$1,750,000.
4. Approve receipt of excess resources/revenues transferred from NHF, per the NHF Bylaws, in the amount of \$1,000,000, to be transferred in equal quarterly amounts of \$250,000 beginning January 2018.
5. Approve 2018 Member county dues calculation at the levels approved by the Board on June 13, 2012. (Attachment 2)
6. Approve the attached proposed 2018 pay rate schedule. (Attachment 3)
7. Approve the proposed outlay for capitalized expenditures in the amount of \$262,000
8. Approve reallocating \$1,467,000 previously earmarked as \$350,000 pension set-aside and the remaining \$1,117,000 as OPEB set-aside, as follows:
 - a. Approximately \$1,117,000 will now be reallocated for pension funding
 - b. \$350,000 will be considered set aside for future OPEB funding
9. Approve staff's recommendation to substantially fund the pension plan, as soon as administratively feasible and working in conjunction with CalPERS, as follows:
 - a. Utilize \$1,117,000 from the LAIF set-aside
 - b. Utilize \$2,000,000 of existing RCRC resources to further pay down the pension liability

Supervisor Rex Bohn, Humboldt County, motioned to approve the 2018 RCRC Proposed Budget, and recommendations listed above. Supervisor David Rodgers, Madera County, seconded the motion. Motion passed.

RCRC Risk Assessment Progress

Greg Norton provided an update to the RCRC Executive Committee on the status on the Executive Leadership Team's Risk Assessment on all the different programs taking place within the organization.

County Visits Update

Greg Norton reported on recent county visits taken by staff. Recent visits by staff include visits to Tehama, Mariposa, and Del Norte Counties. Mr. Norton discussed the

Export Trade Series with the next scheduled workshop taking place on December 14, 2017 in Tehama County. Mr. Norton reviewed recent trips staff have taken to Washington D.C. and noted some important meetings that occurred.

Election of the 2018 RCRC Officers Update

Greg Norton, President & CEO, reminded the Executive Committee that the 2018 RCRC Officers will be elected at the December 6, 2017 Board Meeting. Mr. Norton discussed the election process and noted that Supervisor Matt Kingsley, Inyo County, and Supervisor Les Baugh, Shasta County, have submitted their expression of interest for the Second Vice Chair position. Mr. Norton reviewed the guidelines of the election process with the Executive Committee.

RCRC Code of Conduct

Paul A. Smith presented to the RCRC Executive Committee an addition to the annually adopted Board of Directors Code of Conduct. Mr. Smith reminded the Executive Committee that each year at the January Board of Directors meeting, each RCRC Delegate is provided a copy of the Code of Conduct. Mr. Smith suggested that a paragraph be added to the Code regarding maintaining an organization that is free from discrimination and harassment. The Executive Committee agreed with the addition of the paragraph to the Code, and it will be presented at the January Board of Directors meeting.

President/CEO Goals and Objectives Update

Mr. Norton met with the Executive Committee to discuss progress on his goals and objectives to date.

Adjournment

Chair, Supervisor Bob Williams, Tehama County, adjourned the meeting of the Executive Committee at 2:55 p.m.