

Fallbrook Regional HEALTH DISTRICT

138 S. Brandon St. • Fallbrook CA 92028 • 760-731-9187

BOARD OF DIRECTORS REGULAR BOARD MEETING

WEDNESDAY
SEPTEMBER 12, 2018

6:00 PM

AT

NEW MEETING LOCATION
FALLBROOK WELLNESS CENTER
1636 EAST MISSION ROAD
FALLBROOK, CA 92028



AGENDA
FALLBROOK REGIONAL HEALTH DISTRICT
REGULAR BOARD MEETING
Wednesday, September 12, 2018, 6:00 p.m.
PLEASE NOTE NEW MEETING LOCATION
Fallbrook Wellness Center, 1636 E. Mission Rd., Fallbrook

A. CALL MEETING TO ORDER – PLEDGE OF ALLEGIANCE

B. ADDITIONS TO AGENDA

Pursuant to the Brown Act, additions to the Agenda as posted are exceptional, and expressly limited to three specific situations, as set forth in Government Code 54954.2(b): (1) an "emergency" as determined by majority vote of the board; (2) a 2/3 vote of the board finding that an item requires immediate action – and the need for this action arose in time after the agenda was posted or (3) the item was continued from an earlier meeting (no more than 5 days earlier), at which time the item was validly posted on the agenda of the earlier meeting.

C. BOARD MEMBER AND PUBLIC COMMENTS

Opportunity for board members and citizens to speak on items of interest within subject matter jurisdiction of the District. For the record, please state your name. "Request to speak" cards should be filled out in advance and presented to the Board President or the recording secretary. The Board has a policy limiting any speaker to not more than five minutes

D. CONSENT ITEMS

- D1. Approval of July 2018 Financial Statements
- D2. Minutes of August 1, 2018 Finance Committee Meeting
- D3. Minutes of August 8, 2018 Regular Board Meeting

E. REPORTS

- E1. Finance Committee – Committee of the Whole, Chair: Director Mroz
- E2. Gov't/Public Relation/Community Relations Committee – Directors Salmon and Tinker
- E3. Facilities/Strategic Planning Committee – Directors Abbott and Salmon
- E4. Chief Executive Officer – Bobbi Palmer MBA MSW
- E5. General Counsel – Blaise Jackson

F. ITEMS FOR SUBSEQUENT MEETINGS

- F1. Other Director/Staff discussion items
 - F1a. Item(s) for future board agendas
 - F1b. Announcements of upcoming events:
 - **ACHD 66th Annual Meeting** – September 12th-14th Pismo Beach.
 - Community Collaborative for Health & Wellness Committee (CCH&W) meeting – 3rd Monday, September 20, 9:00-10:30am, Fallbrook Public Utility District Board Room
 - **2018 CSDA Annual Conference & Exhibitor Showcase** – Monday, September 24th-27th Indian Wells.
 - Prostate Cancer Screening – Saturday, September 29, 2017, 7:00am-9:00am, Fallbrook Family Health Center
 - NCCCHI meeting – 1st Wednesday, October 3, 2:00-3:00pm, Fallbrook Wellness Center, 1636 E. Mission Rd.
 - Finance Committee of the Whole meeting – 1st Wednesday, October 3, 5:00pm Fallbrook Wellness Center, 1636 E. Mission Rd.

Woman of Wellness – Thursday, October 4, 6pm – NEW MEETING LOCATION
Fallbrook Wellness Center, 1636 E. Mission Rd., Fallbrook

- Fallbrook Harvest Faire 2018 – Sunday, October 28, 2018, 9:00am-4:00pm,
Main Avenue, Downtown Fallbrook

F2. **Next Regular Board meeting** – Wednesday, October 10, 2018, 6:00pm at
NEW MEETING LOCATION: Fallbrook Wellness Center, 1636 E. Mission Rd., Fallbrook

G. ADJOURNMENT

NOTE: This agenda posted at the Fallbrook Regional Health District Administration Office on Friday, September 7, 2018. The American with Disabilities Act provides that no qualified individual with a disability shall be excluded from participation in, or denied the benefits of District business. If you need assistance to participate in this meeting, please contact the District office 24 hours prior to the meeting at 760-731-9187.



Board Secretary/Clerk

CONSENT ITEMS

FALLBROOK REGIONAL HEALTH DISTRICT
BALANCE SHEET COMPARISON
Comparison of July 2018 to June 2018

	Jul 31, 18	Jun 30, 18	\$ Change
ASSETS			
Current Assets			
Checking/Savings			
102.2 · Cash in Bank - Operating	645,153.72	993,769.55	(348,615.83)
102.6 · Cash in Bank -LAIF	1,472,559.33	1,465,604.92	6,954.41
102.9 · Cal Trust Investment Account	6,725,890.53	6,720,496.40	5,394.13
102.91 · Petty Cash	311.81	61.81	250.00
Total Checking/Savings	8,843,915.39	9,179,932.68	(336,017.29)
Other Current Assets			
104 · Prepaid Insurance	18,432.15	20,138.91	(1,706.76)
107 · Tax apportion receivable	29,034.48	17,166.78	11,867.70
114 · Interest Receivable	0.00	6,954.41	(6,954.41)
Total Other Current Assets	47,466.63	44,260.10	3,206.53
Total Current Assets	8,891,382.02	9,224,192.78	(332,810.76)
Fixed Assets			
121 · Equipment	53,575.54	53,575.54	0.00
121.2 · Equipment Depreciation	(22,694.28)	(21,950.39)	(743.89)
122.0 · ASSETS HELD FOR RESALE			
122.01 · ALVARADO STREET	291,240.00	291,240.00	0.00
122.011 · ALVARADO FMV Appraisal 2018	358,760.00	358,760.00	0.00
122.02 · BRANDON ROAD - ADMIN BLDG	291,240.00	291,240.00	0.00
122.021 · BRANDON FMV Appraisal 2018	508,760.00	508,760.00	0.00
122.03 · E MISSION ROAD	1801418.86	1801418.86	0.00
Total 122.0 · ASSETS HELD FOR RESALE	3,251,418.86	3,251,418.86	0.00
Total Fixed Assets	3,282,300.12	3,283,044.01	(743.89)
TOTAL ASSETS	12173682.14	12507236.79	(333,554.65)
LIABILITIES & EQUITY			
Liabilities			
Current Liabilities			
Accounts Payable			
140 · Accounts Payable	26,925.19	16,676.07	10,249.12
Total Accounts Payable	26,925.19	16,676.07	10,249.12
Credit Cards			
150 · American Express			
150.2 - American Express 42005	713.80	2,170.09	(1,456.29)
150.1 · American Express 41007	1,375.25	1,375.25	0.00
Total 150 · American Express	2,089.05	3,545.34	(1,456.29)
Total Credit Cards	2,089.05	3,545.34	(1,456.29)
Other Current Liabilities			
204 · Accrued Vacation & Sick Leave	30,361.79	30,361.79	0.00
215 · District Wellness Initiatives	22,512.69	23,474.09	(961.40)
Total Other Current Liabilities	52,874.48	53,835.88	(961.40)
Total Current Liabilities	81,888.72	74,057.29	7,831.43
Total Liabilities	81,888.72	74,057.29	7,831.43
Equity			

FALLBROOK REGIONAL HEALTH DISTRICT

BALANCE SHEET COMPARISON

Comparison of July 2018 to June 2018

	<u>Jul 31, 18</u>	<u>Jun 30, 18</u>	<u>\$ Change</u>
300 · Unrestricted Operations Fund	1,722,196.68	1,904,473.14	(182,276.46)
301 · Adjustment for FMV Appraisals	867,520.00	867,520.00	0.00
302.2 · Community Investment Fund	9,843,462.82	9,843,462.82	0.00
Net Income	(341,386.08)	(182,276.46)	(159,109.62)
Total Equity	<u>12091793.42</u>	<u>12433179.50</u>	<u>(341,386.08)</u>
TOTAL LIABILITIES & EQUITY	<u>12173682.14</u>	<u>12507236.79</u>	<u>(333,554.65)</u>

FALLBROOK REGIONAL HEALTH DISTRICT
Income Statement
For the Month Ended July 31, 2018 & Fiscal Year to Date

	Jul 18	Jul 18
Ordinary Income/Expense		
Income		
400. · District		
402 · Property tax revenue	29,034	29,034
403 · Interest / Dividends	12,183	12,183
406 · Unearned Inc (Loss) - Cal Trust	(6,788)	(6,788)
Total 400. · District	34,429	34,429
460 · Lease Income		
460.01 · Med+ Urgent Care (formerly A+)	4,800	4,800
Total 460 · Lease Income	4,800	4,800
Total Income	39,229	39,229
Gross Profit	39,229	39,229
Expense		
500 · Admin. Expenses & Overhead		
500.10 · Salaries	24,262	24,262
500.12 · Payroll Taxes	1,963	1,963
500.14 · W/C Insurance	126	126
500.15 · Employee Health & Welfare	1,904	1,904
500.16 · Board Stipends	1,400	1,400
500.17 · Education & Conferences	5,737	5,737
500.18 · Dues & Subscriptions	7,725	7,725
500.19 · Insurance - General	1,581	1,581
500.20 · Independent Accounting Services	850	850
500.23 · General Counsel	2,695	2,695
500.25 · Office Expense		
01 · Communications	348	348
02 · I.T. and Website services	1,250	1,250
03 · Refreshments	615	615
04 · Office Expenses	1,816	1,816
05 · LAFCO Admin fees	1,367	1,367
06 · Independent Contract Services	4,309	4,309
Total 500.25 · Office Expense	9,705	9,705
500.27 · Depreciation	744	744
500.29 · Dist Promotions & Publications	1,175	1,175
500.32 · Consultant Fees	750	750
500.33 · Copier Lease	778	778
Total 500 · Admin. Expenses & Overhead	61,394	61,394
530 · Blue Zone Designation		
530.21 · Consultants	28,000	28,000
Total 530 · Blue Zone Designation	28,000	28,000
550 · Mgmt./Maint. - Alvarado Street		
550.07 · Custodial Services	125	125
550.10 · Maintenance Services & Repairs	287	287

FALLBROOK REGIONAL HEALTH DISTRICT
Income Statement
For the Month Ended July 31, 2018 & Fiscal Year to Date

	Jul 18	Jul 18
550.23 · General Counsel	438	438
Total 550 · Mgmt./Maint. - Alvarado Street	850	850
570 · Mgmt./Maint. - E. Mission Road		
570.02 · Gas & Electric	956	956
570.03 · Water	470	470
570.07 · Custodial Services	115	115
570.12 · Fire Alarm System	658	658
570.25 · Office Expense		
25.04 · Office Expenses	3,192	3,192
25.06 · Independent Contract Services	6,581	6,581
Total 570.25 · Office Expense	9,773	9,773
570.29 · Dist. Promotions & Publications	100	100
570.32 · Consultant Fees	3,000	3,000
Total 570 · Mgmt./Maint. - E. Mission Road	15,072	15,072
590 · Mgmt./Maint. - S. Brandon Road		
590.02 · Gas & Electric	1,273	1,273
590.03 · Water	193	193
590.06 · Landscape - Grounds Environment	400	400
590.07 · Custodial Services	1,080	1,080
590.08 · Elevator	182	182
590.10 · Maintenance Services & Repairs	125	125
590.11 · Medical Records Store & Service	2,861	2,861
590.12 · Fire Alarm System	781	781
Total 590 · Mgmt./Maint. - S. Brandon Road	6,896	6,896
600 · Community Health Contracts		
600.02 · Fbk Citizens Crime Prevention	2,625	2,625
600.04 · Boys & Girls Club	18,428	18,428
600.05 · Community Health Systems, Inc.	26,250	26,250
600.06 · Fallbrook Land Conservancy	10,000	10,000
600.07 · Fbk Senior Citizens Srvc Club	19,688	19,688
600.08 · Fallbrook Smiles Project	18,769	18,769
600.09 · Fallbrook Union H. S. District	5,000	5,000
600.11 · Palomar Family Counseling Srvc	20,738	20,738
600.17 · Foundation for Senior Care	54,882	54,882
600.18 · Fallbrook Food Pantry	50,000	50,000
600.33 · REINS Therapeutic Prgm	17,063	17,063
600.46 · Mental Health Systems, Inc.	2,428	2,428
600.53 · Jeremiah's Ranch	3,872	3,872
600.54 · Healthy Adventures Foundation	2,363	2,363
600.58 · Michelle's Place	6,300	6,300
Total 600 · Community Health Contracts	258,403	258,403
800 · District Direct Care Services		
800.02 · Med+ Urgent Care	10,000	10,000
Total 800 · District Direct Care Services	10,000	10,000

FALLBROOK REGIONAL HEALTH DISTRICT
Income Statement
For the Month Ended July 31, 2018 & Fiscal Year to Date

	<u>Jul 18</u>	<u>Jul 18</u>
Total Expense	380,615	380,615
Net Ordinary Income	<u>(341,386)</u>	<u>(341,386)</u>
Net Income	<u><u>(341,386)</u></u>	<u><u>(341,386)</u></u>

FALLBROOK REGIONAL HEALTH DISTRICT
Profit & Loss Actual vs Budget

July through June 2018

	Jul 18	Budget	\$ Over ...
Ordinary Income/Expense			
Income			
400 · District			
402 · Property tax revenue	29,034	29,432	(398)
403 · Interest / Dividends	12,183	10,417	1,766
406 · Unearned Inc (Loss) - Cal Trust	(6,788)	0	(6,788)
Total 400 · District	34,429	39,849	(5,420)
460 · Lease Income			
460.01 · Med+ Urgent Care (formerly A+)	4,800	4,800	0
Total 460 · Lease Income	4,800	4,800	0
Total Income	39,229	44,649	(5,420)
Gross Profit	39,229	44,649	(5,420)
Expense			
500 · Admin. Expenses & Overhead			
500.10 · Salaries	24,262	22,917	1,345
500.12 · Payroll Taxes	1,963	1,917	46
500.14 · W/C Insurance	126	126	0
500.15 · Employee Health & Welfare	1,904	1,250	654
500.16 · Board Stipends	1,400	1,750	(350)
500.17 · Education & Conferences	5,737	1,542	4,195
500.18 · Dues & Subscriptions	7,725	1,167	6,558
500.19 · Insurance - General	1,581	1,581	(0)
500.20 · Independent Accounting Services	850	850	0
500.23 · General Counsel	2,695	3,750	(1,055)
500.25 · Office Expense			
01 · Communications	348	304	44
02 · I.T. and Website services	1,250	917	333
03 · Refreshments	615	208	406
04 · Office Expenses	1,816	1,308	508
05 · LAFCO Admin fees	1,367	114	1,253
06 · Independent Contract Services	4,309	5,000	(691)
Total 500.25 · Office Expense	9,705	7,851	1,853
500.27 · Depreciation	744	429	315
500.29 · Dist Promotions & Publications	1,175	3,188	(2,013)
500.32 · Consultant Fees	750	8,563	(7,813)
500.33 · Copier Lease	778	833	(55)
500.40 · Video/AV Equipment	0	417	(417)
Total 500 · Admin. Expenses & Overhead	61,394	58,129	3,265
530 · Blue Zone Designation			
530.21 · Consultants	28,000		
Total 530 · Blue Zone Designation	28,000	0	28,000
550 · Mgmt./Maint. - Alvarado Street			
550.07 · Custodial Services	125		
550.10 · Maintenance Services & Repairs	287		
550.23 · General Counsel	438		
Total 550 · Mgmt./Maint. - Alvarado Street	850		
570 · Mgmt./Maint. - E. Mission Road			

Report 3

FALLBROOK REGIONAL HEALTH DISTRICT
Profit & Loss Actual vs Budget

July through June 2018

	Jul 18	Budget	\$ Over ...
570.02 · Gas & Electric	956	1,333	(377)
570.03 · Water	470	250	220
570.04 · Waste Management	0	83	(83)
570.06 · Landscape - Grounds Environment	0	1,000	(1,000)
570.07 · Custodial Services	115	500	(385)
570.10 · Maintenance Services & Repairs	0	417	(417)
570.12 · Fire Alarm System	658		
570.25 · Office Expense			
25.04 · Office Expenses	3,192	1,000	2,192
25.06 · Independent Contract Services	6,581	3,750	2,831
Total 570.25 · Office Expense	9,773	4,750	5,023
570.29 · Dist. Promotions & Publications	100	833	(733)
570.32 · Consultant Fees	3,000	1,250	1,750
Total 570 · Mgmt./Maint. - E. Mission Road	15,072	10,417	4,655
590 · Mgmt./Maint. - S. Brandon Road			
590.01 · Property Manager	0	2,083	(2,083)
590.02 · Gas & Electric	1,273	1,667	(393)
590.03 · Water	193	917	(723)
590.04 · Waste Management	0	142	(142)
590.06 · Landscape - Grounds Environment	400	838	(438)
590.07 · Custodial Services	1,080	780	300
590.08 · Elevator	182	500	(318)
590.09 · Vehicle Expenses	0	33	(33)
590.10 · Maintenance Services & Repairs	125	417	(292)
590.11 · Medical Records Store & Service	2,861	2,500	361
590.12 · Fire Alarm System	781	208	572
Total 590 · Mgmt./Maint. - S. Brandon Road	6,896	10,084	(3,188)
600 · Community Health Contracts			
600.02 · Fbk Citizens Crime Prevention	2,625	2,625	0
600.04 · Boys & Girls Club	18,428	18,428	0
600.05 · Community Health Systems, Inc.	26,250	26,250	0
600.06 · Fallbrook Land Conservancy	10,000	10,000	0
600.07 · Fbk Senior Citizens Srvc Club	19,688	19,688	0
600.08 · Fallbrook Smiles Project	18,769	18,769	0
600.09 · Fallbrook Union H. S. District	5,000	5,000	0
600.11 · Palomar Family Counseling Srvc	20,738	20,738	0
600.17 · Foundation for Senior Care	54,882	54,882	0
600.18 · Fallbrook Food Pantry	50,000	50,000	0
600.33 · REINS Therapeutic Prgm	17,063	17,063	0
600.46 · Mental Health Systems, Inc.	2,428	2,428	0
600.53 · Jeremiah's Ranch	3,872	3,872	0
600.54 · Healthy Adventures Foundation	2,363	2,363	0
600.58 · Michelle's Place	6,300	6,300	0
Total 600 · Community Health Contracts	258,403	258,403	0
800 · District Direct Care Services			
800.02 · Med+ Urgent Care	10,000	10,000	0
Total 800 · District Direct Care Services	10,000	10,000	0
Total Expense	380,615	347,032	33,582
Net Ordinary Income	(341,386)	(302,383)	(39,003)

FALLBROOK REGIONAL HEALTH DISTRICT
Profit & Loss Actual vs Budget

July through June 2018

	<u>Jul 18</u>	<u>Budget</u>	<u>\$ Over ...</u>
Net Income	<u>(341,386)</u>	<u>(302,383)</u>	<u>(39,003)</u>

FALLBROOK REGIONAL HEALTH DISTRICT
Profit & Loss Budget Overview 2017 - 2018
 July 2018 through June 2019

	Jul 18	Aug 18	Sep 18	Oct 18	Nov 18	Dec 18	Jan 19	Feb 19	Mar 19	Apr 19	May 19	Jun 19	TOTAL Jul '18 - J...
Ordinary Income/Expense													
Income													
400 · District													
402 · Property tax revenue	29,432	38,328	42,990	98,729	710,000	475,000	47,635	415,000	22,500	25,510	88,967	62,285	2,056,376
403 · Interest / Dividends	10,417	10,417	10,416	10,417	10,416	10,416	10,417	10,417	10,416	10,417	10,417	10,417	125,000
Total 400 · District	39,849	48,745	53,406	109,146	720,416	485,416	58,052	425,417	32,916	35,927	99,384	72,702	2,181,376
460 · Lease Income													
460.01 · Med+ Urgent Care (formerly A+)	4,800	4,800	4,800	4,800	4,800	4,800	0	0	0	0	0	0	28,800
Total 460 · Lease Income	4,800	4,800	4,800	4,800	4,800	4,800	0	0	0	0	0	0	28,800
Total Income	44,649	53,545	58,206	113,946	725,216	490,216	58,052	425,417	32,916	35,927	99,384	72,702	2,210,176
Gross Profit	44,649	53,545	58,206	113,946	725,216	490,216	58,052	425,417	32,916	35,927	99,384	72,702	2,210,176
Expense													
500 · Admin. Expenses & Overhead													
500.10 · Salaries	22,917	22,917	22,917	22,917	22,917	22,917	22,917	22,917	22,917	22,917	22,917	22,917	275,000
500.12 · Payroll Taxes	1,917	1,917	1,917	1,917	1,917	1,917	1,917	1,917	1,917	1,917	1,917	1,917	23,000
500.14 · W/C Insurance	126	126	126	126	126	126	126	126	126	126	126	126	1,507
500.15 · Employee Health & Welfare	1,250	1,250	1,250	1,250	1,250	1,250	1,250	1,250	1,250	1,250	1,250	1,250	15,000
500.16 · Board Stipends	1,750	1,750	1,750	1,750	1,750	1,750	1,750	1,750	1,750	1,750	1,750	1,750	21,000
500.17 · Education & Conferences	1,542	1,542	1,542	1,542	1,542	1,542	1,542	1,542	1,542	1,542	1,542	1,542	18,500
500.18 · Dues & Subscriptions	1,167	1,167	1,167	1,167	1,167	1,167	1,167	1,167	1,167	1,167	1,167	1,167	14,000
500.19 · Insurance - General	1,581	1,581	1,581	1,581	1,581	1,581	1,581	1,581	1,581	1,581	1,581	1,581	18,975
500.20 · Independent Accounting Services	850	850	850	850	850	850	850	850	850	850	850	850	10,200
500.21 · Annual Independent Audit	0	8,850	0	0	0	0	0	0	0	0	0	0	8,850
500.23 · General Counsel	3,750	3,750	3,750	3,750	3,750	3,750	3,750	3,750	3,750	3,750	3,750	3,750	45,000
500.25 · Office Expense													
01 · Communications	304	304	304	304	304	304	304	304	304	304	304	304	3,650
02 · I.T. and Website services	917	917	917	917	917	917	917	917	917	917	917	917	11,000
03 · Refreshments	208	208	208	208	208	208	208	208	208	208	208	208	2,500
04 · Office Expenses	1,308	1,308	1,308	1,308	1,308	1,308	1,308	1,308	1,308	1,308	1,308	1,308	15,700
05 · LAFCO Admin fees	114	114	114	114	114	114	114	114	114	114	114	114	1,367
06 · Independent Contract Services	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	60,000
Total 500.25 · Office Expense	7,851	7,851	7,851	7,851	7,851	7,851	7,851	7,851	7,851	7,851	7,851	7,851	94,217
500.27 · Depreciation	429	429	429	429	429	429	429	429	429	429	429	429	5,151
500.29 · Dist Promotions & Publications	3,188	3,188	3,188	3,188	3,188	3,188	3,188	3,188	3,188	3,188	3,188	3,188	38,250
500.32 · Consultant Fees	8,563	8,563	8,563	8,563	8,563	8,563	8,563	8,563	8,563	8,563	8,563	8,563	102,750
500.33 · Copier Lease	833	833	833	833	833	833	834	833	834	833	834	834	10,000
500.36 · Accrued Vacation & Sick Leave	0	0	2,500	0	0	2,500	0	0	2,500	0	0	2,500	10,000
500.40 · Video/AV Equipment	417	417	417	417	417	417	417	417	417	417	417	417	5,000
580.01 · General Election	0	0	16,500	0	0	0	0	0	0	0	0	0	16,500
Total 500 · Admin. Expenses & Overhead	58,129	66,979	77,129	58,129	58,129	60,629	58,130	58,129	60,630	58,129	58,130	60,630	732,900
570 · Mgmt./Maint. - E. Mission Road													
570.02 · Gas & Electric	1,333	1,333	1,333	1,333	1,333	1,333	1,333	1,333	1,333	1,333	1,333	1,333	16,000
570.03 · Water	250	250	250	250	250	250	250	250	250	250	250	250	3,000
570.04 · Waste Management	83	83	83	83	83	83	83	83	83	83	83	83	1,000
570.06 · Landscape - Grounds Environment	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	12,000
570.07 · Custodial Services	500	500	500	500	500	500	500	500	500	500	500	500	6,000
570.10 · Maintenance Services & Repairs	417	417	417	417	417	417	417	417	417	417	417	417	5,000
570.25 · Office Expense													
25.02 · I.T. & Website Services	250	250	250	250	250	250	250	250	250	250	250	250	3,000
25.04 · Office Expenses	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	12,000
25.06 · Independent Contract Services	3,750	3,750	3,750	3,750	3,750	3,750	3,750	3,750	3,750	3,750	3,750	3,750	45,000
Total 570.25 · Office Expense	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	60,000
570.29 · Dist. Promotions & Publications	833	833	833	833	833	833	833	833	833	833	833	833	10,000
570.32 · Consultant Fees	1,250	1,250	1,250	1,250	1,250	1,250	1,250	1,250	1,250	1,250	1,250	1,250	15,000
Total 570 · Mgmt./Maint. - E. Mission Road	10,667	10,667	10,667	10,667	10,667	10,667	10,667	10,667	10,667	10,667	10,667	10,667	128,000

FALLBROOK REGIONAL HEALTH DISTRICT
Profit & Loss Budget Overview 2017 - 2018
 July 2018 through June 2019

	Jul 18	Aug 18	Sep 18	Oct 18	Nov 18	Dec 18	Jan 19	Feb 19	Mar 19	Apr 19	May 19	Jun 19	TOTAL Jul '18 - J...
590 · Mgmt./Maint. - S. Brandon Road													
590.01 · Property Manager	2,083	2,083	2,083	2,083	2,083	2,083	2,083	2,083	2,083	2,083	2,083	2,083	25,000
590.02 · Gas & Electric	1,667	1,667	1,667	1,667	1,667	1,667	1,667	1,667	1,667	1,667	1,667	1,667	20,000
590.03 · Water	917	917	917	917	917	917	917	917	917	917	917	917	11,000
590.04 · Waste Management	142	142	142	142	142	142	142	142	142	142	142	142	1,700
590.06 · Landscape - Grounds Environment	838	838	838	838	838	838	838	838	838	838	838	838	10,050
590.07 · Custodial Services	780	780	780	780	780	780	780	780	780	780	780	780	9,360
590.08 · Elevator	250	250	250	250	250	250	250	250	250	250	250	250	3,000
590.09 · Vehicle Expenses	33	33	33	33	33	33	33	33	33	33	33	33	400
590.10 · Maintenance Services & Repairs	417	417	417	417	417	417	417	417	417	417	417	417	5,000
590.11 · Medical Records Store & Service	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	30,000
590.12 · Fire Alarm System	208	208	208	208	208	208	208	208	208	208	208	208	2,500
Total 590 · Mgmt./Maint. - S. Brandon Road	9,834	9,834	9,834	9,834	9,834	9,834	9,834	9,834	9,834	9,834	9,834	9,834	118,010
600 · Community Health Contracts													
600.02 · Fbk Citizens Crime Prevention	2,625	0	0	0	2,625	0	0	2,625	0	0	2,625	0	10,500
600.04 · Boys & Girls Club	18,428	0	0	0	9,188	0	0	9,188	0	0	9,188	0	45,990
600.05 · Community Health Systems, Inc.	26,250	0	0	0	26,250	0	0	26,250	0	0	26,250	0	105,000
600.06 · Fallbrook Land Conservancy	10,000	0	0	0	0	0	0	0	0	0	0	0	10,000
600.07 · Fbk Senior Citizens Srvc Club	19,688	0	0	0	19,688	0	0	19,688	0	0	19,688	0	78,750
600.08 · Fallbrook Smiles Project	18,769	0	0	0	18,769	0	0	18,769	0	0	18,769	0	75,075
600.09 · Fallbrook Union H. S. District	5,000	0	0	0	5,000	0	0	5,000	0	0	5,000	0	20,000
600.11 · Palomar Family Counseling Srvc	20,738	0	0	0	20,738	0	0	20,738	0	0	20,738	0	82,950
600.17 · Foundation for Senior Care	54,882	0	0	0	54,882	0	0	54,882	0	0	54,882	0	219,527
600.18 · Fallbrook Food Pantry	50,000	0	0	0	25,200	0	0	25,200	0	0	25,200	0	125,600
600.33 · REINS Therapeutic Prgm	17,063	0	0	0	17,063	0	0	17,063	0	0	17,063	0	68,250
600.46 · Mental Health Systems, Inc.	2,428	0	0	0	2,428	0	0	2,428	0	0	2,428	0	9,711
600.48 · UCSD Eye Mobile for Children	0	0	0	0	2,975	0	0	2,975	0	0	2,975	0	8,925
600.53 · Jeremiah's Ranch	3,872	0	0	0	3,872	0	0	3,872	0	0	3,872	0	15,488
600.54 · Healthy Adventures Foundation	2,363	0	0	0	2,363	0	0	2,363	0	0	2,363	0	9,450
600.57 · NC Fire Protection District	0	0	0	0	0	0	0	25,000	0	0	0	0	25,000
600.58 · Michelle's Place	6,300	0	0	0	6,300	0	0	6,300	0	0	6,300	0	25,200
Total 600 · Community Health Contracts	258,403	0	0	0	217,338	0	0	242,338	0	0	217,338	0	935,416
800 · District Direct Care Services													
800.02 · Med+ Urgent Care	10,000	10,000	10,000	10,000	10,000	10,000	0	0	0	0	0	0	60,000
Total 800 · District Direct Care Services	10,000	10,000	10,000	10,000	10,000	10,000	0	0	0	0	0	0	60,000
Total Expense	347,032	97,480	107,630	88,630	305,967	91,130	78,631	320,967	81,131	78,630	295,968	81,131	1,974,326
Net Ordinary Income	(302,383)	(43,935)	(49,424)	25,316	419,249	399,086	(20,579)	104,450	(48,215)	(42,703)	(196,584)	(8,429)	235,850
Net Income	(302,383)	(43,935)	(49,424)	25,316	419,249	399,086	(20,579)	104,450	(48,215)	(42,703)	(196,584)	(8,429)	235,850

Local Agency Investment Fund
P.O. Box 942809
Sacramento, CA 94209-0001
(916) 653-3001

www.treasurer.ca.gov/pmia-laif/laif.asp
August 15, 2018

FALLBROOK HEALTHCARE DISTRICT

ADMINISTRATOR
P.O. BOX 2587
FALLBROOK, CA 92088

PMIA Average Monthly Yields

Account Number:

Tran Type Definitions

July 2018 Statement

Effective Date	Transaction Date	Tran Type	Confirm Number	Authorized Caller	Amount
7/13/2018	7/12/2018	QRD	1578136	SYSTEM	6,954.41

Account Summary

Total Deposit:	6,954.41	Beginning Balance:	1,465,604.92
Total Withdrawal:	0.00	Ending Balance:	1,472,559.33



CalTRUST
 c/o Gemini Fund Services LLC
 PO Box 541150
 Omaha, NE 68154-9150
 www.caltrust.org
 Email: CalTRUSTSupport@thegeminicompanies.com
 Fax: 402-963-9094
 Phone: 833-CALTRUST (225-8787)

Investment Account Summary

07/01/2018 through 07/31/2018

SUMMARY OF INVESTMENTS

Fund	Account Number	Total Shares Owned	Net Asset Value per Share on Jul 31 (\$)	Value on Jul 31 (\$)	Average Cost Amount (\$)	Cumulative Unrealized Gain/(Loss) (\$)
FALLBROOK REGIONAL HEALTH DISTRICT						
CalTRUST Medium Term Fund		680,069.821	9.89	6,725,890.53	6,820,741.66	(94,851.13)
Portfolios Total value as of 07/31/2018				6,725,890.53		

DETAIL OF TRANSACTION ACTIVITY

Activity Description	Activity Date	Amount (\$)	Amount in Shares	Balance in Shares	Price per Share (\$)	Balance (\$)	Average Cost Amt (\$)	Realized Gain/(Loss) (\$)
FALLBROOK REGIONAL HEALTH DISTRICT								
Account Number								
CalTRUST Medium Term Fund								
Beginning Balance	07/01/2018			678,838.020	9.90	6,720,496.40		
Accrual Income Div Reinvestment	07/31/2018	12,182.51	1,231.801	680,069.821	9.89	6,725,890.53	0.00	0.00
Unrealized Gain/(Loss)						(6,788.38)		
Closing Balance as of	Jul 31			680,069.821	9.89	6,725,890.53		

Please note that this information should not be construed as tax advice and it is recommended that you consult with a tax professional regarding your account.

FALLBROOK REGIONAL HEALTH DISTRICT
Property Tax Revenue - Fiscal Year to Date
July 2018 through June 2019

Type	Date	Name	Amount	Balance
400. · District				
402 · Property tax revenue				
Gener...	07/31/18		29,034.48	29,034.48
Total 402 · Property tax revenue			29,034.48	29,034.48
Total 400. · District			29,034.48	29,034.48
TOTAL			29,034.48	29,034.48

FALLBROOK REGIONAL HEALTH DISTRICT
Check Detail Report - July 2018

Type	Date	Num	Name	Memo	Amount
102.2			Cash in Bank - Operating		
Bill ...	07/02/18	9861	Ebobisse, Solange	Weekly stipend for interns...	-100.00
Che...	07/09/18	9876	William Leach	REIMBURSEMENT for mi...	-555.50
Bill ...	07/09/18	9877	ACHD	Inv. 18004834; Member d...	-7,725.00
Bill ...	07/09/18	9878	American Express - ...	0-41007	-2,681.82
Bill ...	07/09/18	9879	Amsterdam Printing	Inv. 6014160; 300 wellnes...	-397.15
Bill ...	07/09/18	9880	Apple One Staffing	00102494-0000	-1,103.20
Bill ...	07/09/18	9881	AT&T U-Verse - com...	146524365	-46.37
Bill ...	07/09/18	9882	Aztec Cleaning & Mai...	Office cleaning - Inv. 033...	-180.00
Bill ...	07/09/18	9883	Galvanized strategies...	Retainer - Community en...	-6,000.00
Bill ...	07/09/18	9884	Glennie's Office Prod...	6493	-473.96
Bill ...	07/09/18	9885	Iron Mountain-153	CHSRM	-1,795.83
Bill ...	07/09/18	9886	Iron Mountain SX-302	SX302/Fallbrook Hosp.	-1,056.60
Bill ...	07/09/18	9887	SDRMA - property in...	Inv. 64925; Member No. 7...	-450.70
Bill ...	07/09/18	9888	Sharecare, Inc.	Inv. 2406790; Balance of ...	-25,000.00
Bill ...	07/09/18	9889	Termin-8 Pest Control		-250.00
Bill ...	07/09/18	9890	ACHD	2018 ACHD: Healthy You,...	-100.00
Che...	07/09/18	9891	Michelle's Place	CHC NO. 334 - BREAST ...	-6,300.00
Che...	07/09/18	9892	Palomar Family Coun...	CHC NO. 335 - HEALTH...	-20,737.50
Che...	07/09/18	9893	Reins	CHC NO. 336 - BEHAVIO...	-17,062.50
Che...	07/09/18	9894	Boys & Girls Club	CHC NO. 318 - SUMMER...	-9,240.00
Che...	07/09/18	9895	Boys & Girls Club	CHC NO. 319 - TRIPLE P...	-9,187.50
Che...	07/09/18	9896	Community Health Sy...	CHC NO. 320 - INT. WO...	-26,250.00
Che...	07/09/18	9897	Fallbrook Citizens - F...	CHC NO. 321 - GANAS ...	-2,625.00
Che...	07/09/18	9898	Fallbrook Food Pantry	CHC NO. 322 - VEHICLE...	-50,000.00
Che...	07/09/18	9899	Foundation for Senior...	CHC NO. 323 - SENIOR ...	-15,707.54
Che...	07/09/18	9900	Foundation for Senior...	CHC NO. 324 - SENIOR ...	-18,042.41
Che...	07/09/18	9901	Foundation for Senior...	CHC NO. 325 - DOOR T...	-13,366.16
Che...	07/09/18	9902	Foundation for Senior...	CHC NO. 326 - RESPITE...	-7,765.65
Che...	07/09/18	9903	Fallbrook Land Cons...	CHC NO. 327 - EXP. CO...	-10,000.00
Che...	07/09/18	9904	Fallbrook Senior Citiz...	CHC NO. 328 - NUTRITI...	-19,687.50
Che...	07/09/18	9905	Fallbrook Smiles Proj...	CHC NO. 329 - FALLBR...	-18,768.75
Che...	07/09/18	9906	Fallbrook Union High ...	CHC NO. 330 - FALLBR...	-5,000.00
Che...	07/09/18	9907	Healthy Adventures F...	CHC NO. 331 - FALLBR...	-2,362.50
Che...	07/09/18	9908	Jeremiah's Ranch	CHC NO. 332 - JEREMIA...	-3,871.88
Che...	07/09/18	9909	Mental Health Syste...	CHC NO. 333 - FALLBR...	-2,427.87
Bill ...	07/09/18	9910	Palomar Mountain Pr...	45919	-33.04
Bill ...	07/11/18	9911	Ascent Elevator Servi...	Elevator service - Inv. 309...	-182.00
Bill ...	07/11/18	9912	Aztec Cleaning & Mai...	Office cleaning - Inv. 033...	-180.00
Bill ...	07/11/18	9913	Kathleen Bogle	June accounting services	-850.00
Bill ...	07/11/18	9914	Scott & Jackson Esq.	Professional services 201...	-9,450.00
Bill ...	07/11/18	9915	Streamline	Website monthly fee July ...	-200.00
Bill ...	07/11/18	9916	Tortorella, Margo	Cleaning at E. Mission Ro...	-115.00
Bill ...	07/11/18	9917	Garden Center	Catered event-Communit...	-533.36
Che...	07/13/18	9918	Howard Salmon	Reimbursement: Expense...	-846.75
Bill ...	07/16/18	9919	Apple One Staffing	00102494-0000	-658.14
Bill ...	07/16/18	9923	County of San Diego-...	Billing of LAFCO cost for ...	-1,366.95
Bill ...	07/16/18	9920	County of SD-Treasu...	219-6240037	-75.00
Bill ...	07/16/18	9921	Ramirez Landscapin...	June landscaping - 138 S...	-400.00
Bill ...	07/16/18	9922	Sun Realty	Mission Avenue property ...	-187.50
Che...	07/17/18	9924	Pamela Knox	Reimburse - Dental	-215.22
Che...	07/17/18	9925	Mireya Banuelos	Reimbursment-lunch for ...	-43.30
Bill ...	07/18/18	9926	Aztec Cleaning & Mai...	Office cleaning - Inv. 033...	-180.00
Bill ...	07/18/18	9927	Citrus Plaza Self Stor...	Storage Unit #322 rental f...	-214.00
Bill ...	07/18/18	9928	Freedom Now Promo...	VOID: Nonrefundable boo...	0.00
Che...	07/18/18	9929	Pamela Knox	Reimburse - Medicare	-330.00

Type	Date	Num	Name	Memo	Amount
Bill ...	07/25/18	9930	Apple One Staffing	00102494-0000	-3,616.66
Bill ...	07/25/18	9931	AT&T	7/14/18 invoice; Account ...	-205.54
Bill ...	07/25/18	9932	Aztec Cleaning & Mai...	Office cleaning - Inv. 055...	-180.00
Bill ...	07/25/18	9933	CalPERS	1559595490	-1,358.78
Bill ...	07/25/18	9934	Konica Minolta Leasi...	061-0116888-000	-937.23
Bill ...	07/25/18	9935	Touchbase	344664	-57.60
Bill ...	07/25/18	9936	TRL Systems, Inc.	FAL004	-1,438.57
Bill ...	07/25/18	9937	Village News	1641	-310.48
Che...	07/25/18	9938	Cash	Petty Cash Replenished	-250.00
Che...	07/27/18	9946	Mireya Banuelos	Reimbursment-ACHD We...	-170.01
Che...	07/28/18	9939	A+ Urgent Care, Inc.	July 2018 subsidy per MO...	-10,000.00
Bill ...	07/30/18	9940	Apple One Staffing	00102494-0000	-1,103.20
Bill ...	07/30/18	9941	CHC Refrigeration Inc	Inv. 29575 - labor & parts ...	-287.48
Bill ...	07/30/18	9942	FPUD - FHD 2 0077...	007720-001	-142.37
Bill ...	07/30/18	9943	FPUD - FHD 7720-002	7720-002	-51.04
Bill ...	07/30/18	9944	FPUD - FHD 7721-000	007721-000	-51.04
Bill ...	07/30/18	9945	FPUD - FHD Wellnes...	007720-003	-418.65
Total 102.2 · Cash in Bank - Operating					-342,957.80
TOTAL					<u>-342,957.80</u>

Fallbrook Regional HEALTH DISTRICT

MINUTES

FINANCE COMMITTEE OF THE WHOLE

Thursday, August 1, 2018 at 5:00 P.M.

Community Meeting Room, 138 South Brandon Road, Fallbrook CA 92028

Committee Members Present: Chairperson Barbara Mroz, Directors Gordon Tinker, Stephen Abbott and Howard Salmon.

Staff Members Present: Chief Executive Officer Bobbi Palmer

Accountant Kathy Bogle, Bookkeeper Wendy Lyon and a member of the public Jennifer Jeffries.

1) Call to Order/Roll Call

Chair Barbara Mroz called the meeting to order at 5:00 p.m.

2) Public Comments

None

3) Review of Financial Statements for June 2018

1) Balance Sheet Comparison of June 2018 to December 2017

2) Income Statement for the Month Ended June 30, 2018 & Fiscal Year to Date

3) Profit & Loss Actual vs Budget – July through June 2018

4) Profit & Loss Budget Overview July 2017 through June 2018

The above listed financial statements through June 2018 were reviewed and discussed. The Community Investment Fund was created as a new category to demonstrate how the funds from the sale of the Elder Street property are being utilized by the District, with the majority used for the upcoming wellness center. Regarding property tax revenue, the District is anticipating an eight percent increase. It was noted that A+ Urgent Care is now MedPlus Urgent Care (Dr. Skeoch is now operating this facility under the new name).

5) Local Agency Investment Fund (LAIF) Statement – June 2018

The balance in this account as of the end of June 2018 was \$1,465,605. These funds can be used for items listed on the Community Investment Fund.

6) CalTRUST Statement – June 2018

The balance in this account as of the end of June 2018 was \$6,720,496. These funds can be used for items listed on the Community Investment Fund.

7) Property Tax Revenue – Fiscal Year to Date

The property tax revenue received was reviewed. It was noted that the District typically receives the bulk of the funds November, December and March.

- 8) Check Detail Report – June 2018
This report is included in every Finance Committee packet.

4) Discussion Items

1) Review of Board Stipend Compensation Policy – 2nd Reading

There had been discussion regarding updating the Board Stipend Compensation Policy and this is the updated policy brought back to the Finance Committee for recommendation to the full board. It was noted the maximum compensation is not changed from up to \$500 per month.

Recommendation: The Finance Committee recommended approval of the policy at the next regular meeting. The update includes the addition that ACHD and CSDA sponsored webinars can be included on the form submitted for compensation.

2) Consideration and Adoption of Resolution No. 422 – Annual Statement of Investment Policy for FY 2018-2019 – 2nd Reading

This policy has not changed and is recommended for approval as required periodically.

3) 2018-2019 Operational Budget – 2nd Reading

It was noted this is the second reading of the Operational Budget. It was noted that accounting for our second location (1636 E. Mission Rd.) has been separated out within the budget. It was also noted that the Community Investment Fund items listed are estimates only and not a budget in which to be constrained. CEO Bobbi Palmer reviewed the process she used to estimate costs for creating the upcoming wellness center. Discussion ensued.

Recommendation: The Finance Committee recommended approval of the Operational Budget at the next regular meeting of the Board.

5) Adjournment

There being no further business, the meeting was adjourned at 5:56 p.m.

Barbara Mroz, Chairperson

Fallbrook Regional HEALTH DISTRICT

MINUTES

REGULAR BOARD MEETING

Wednesday, August 8, 2018, 6:00 p.m.

Fallbrook Public Utilities District, 990 E. Mission Rd., Fallbrook

Present: Directors Barbara Mroz; Gordon Tinker, Howard Salmon and Bill Leach

Absent: Director Stephen Abbott

Also Present: Bobbi Palmer, CEO and Jeffrey Scott, Legal Counsel

A. CALL MEETING TO ORDER – PLEDGE OF ALLEGIANCE

President Tinker called the meeting to order at 6:01 p.m. and led the Pledge of Allegiance.

B. ADDITIONS TO AGENDA

None

C. BOARD MEMBER AND PUBLIC COMMENTS

None

D. CONSENT ITEMS

D1. Approval of June 2018 Financial Statements

D2. Minutes of July 4, 2018 Finance Committee Meeting

D3. Minutes of July 11, 2018 Regular Board Meeting

There were no consent items pulled for discussion.

Action: It was moved by Director Salmon, seconded by Director Mroz to approve the above listed consent items as presented.

Motion carried: 4-0. 1 absent.

E. REPORTS

E1. Finance Committee – Committee of the Whole, Chair: Director Mroz

Committee Chair Director Mroz said the Finance Committee met on August 1st to review the financial statements through June 2018. The balance in the LAIF Account was \$1,465,605 and the CalTRUST balance was \$6,724,956. These funds will be used as needed for the Community Investment Fund. The financial statements were reviewed and there were no variances not explained. She said the current balance of Property Tax Revenue received for this fiscal year is \$1,904,00 and an estimated 8 percent increase is anticipated in the next year. The revised Board Stipend Compensation Policy was reviewed. She noted that ACHD and CSDA sponsored webinars and seminars have been added as qualifying for compensation. There is still a maximum of \$500 per month per Director. The Annual Statement of Investment was reviewed and will be further discussed at the regular board meeting. The 2018-19 Operational Budget has been in process and

was reviewed by the Committee. She said this budget is considered in conjunction with the Community Investment Fund.

Recommendations:

The Finance Committee recommended that the Board Stipend Compensation Policy, the Annual Statement of Investment and the 2018-19 Operational Budget be considered for approval at the next regular board meeting.

- E2. Gov't/Public Relation/Community Relations Committee – Directors Salmon and Tinker
None
- E3. Facilities/Strategic Planning Committee – Directors Abbott and Salmon
None
- E4. Chief Executive Officer – Bobbi Palmer MBA MSW
CEO Bobbi Palmer reviewed Collective Impact and what Fallbrook Regional Health District is doing and will be doing to meet this higher performing approach to achieving large-scale impact. (See attachment)
- E5. General Counsel – Jeff Scott
Blaise Jackson was absent due to a vacation; his partner Jeff Scott attended in his absence.
Jeff Scott shared information regarding AB2019, specifically regarding meetings with grant applicants and assuring transparency. Following discussion, it was determined that Fallbrook Regional Health District is in compliance with AB2019 with its Community Health Contracts (formerly known as grants) program.

F. DISCUSSION/ACTION ITEMS

- F1. Review of Board Stipend Compensation Policy – 2nd Reading
There were no proposed changes to the policy.
Action: It was moved by Bill Leach, seconded by Howard Salmon to approve the revised Board Stipend Compensation Policy as presented.
Motion carried. 4-0 1 Absent
- F2. Consideration and Adoption of Resolution No. 422 – Annual Statement of Investment Policy for FY 2018-2019 – 2nd Reading
It was noted there are no changes to last year's Investment Policy.

Resolution No 422
Resolution of the Board of Directors of the Fallbrook
Regional Health District Approving the Statement of
Investment Policy for Fiscal Year 2018-2019

Director Bill Leach _____ **Aye**

Director Howard Salmon _____ **Aye**

Director Barbara Mroz _____ **Aye**

Director Gordon Tinker _____ **Aye**

Director Stephen Abbott _____ **Absent**

- F3. 2018-2019 Operational Budget – 2nd Reading
 CEO Bobbi Palmer said the 2018-19 budget includes the operational budget and the Community Investment Fund due to the purchase of property for an upcoming wellness center. President Tinker said the Operational Budget lives within the confines of the revenue received from property taxes. The Community Investment Fund deals with long-term capital investments, e.g. the partial funding of an ambulance for the North County Fire Protection District.
Action: It was moved by Director Salmon, seconded by Director Leach to approve the 2018-19 Operations Budget and the Community Investment Fund.
Motion carried. 4-0 1 Absent
- F4. CSDA Board of Directors 2018 Election
 CEO Bobbi Palmer said there are two candidates running for the California Special Districts Association. Discussion ensued. The District is a member of this Association and all District members Board of Directors vote for their Board of Directors. President Tinker said he knows Jo MacKenzie, a Director with Vista Irrigation District and Bobbi Palmer said she has worked with her as well.
Action: It was moved by Director Salmon, seconded by Director Leach to vote in favor of Jo MacKenzie for the CSDA Board of Directors.
Motion carried. 4-0 1 Absent

G. ITEMS FOR SUBSEQUENT MEETINGS

- G1. Other Director/Staff discussion items
 G1a. Item(s) for future board agendas
 No items were recommended.
- G1b. Announcements of upcoming events:
- Community Collaborative for Health & Wellness Committee (CCH&W) meeting – Monday, August 20, 9:00-10:30am, Fallbrook Public Utility District Board Room
 - NCCCHI meeting – 1st Wednesday, September 5, 2:00-3:00pm
 - **Wellness Center Ground Breaking – September 5th, 10:00 am to 6:00 pm, 1636 E. Mission Rd.**
 - **Finance Committee of the Whole meeting – 1st Wednesday, September 5, 5:00pm Wellness Center, 1636 E. Mission Rd.**
 - Woman of Wellness – Thursday, September 6, 6pm, Fallbrook Library
 - **ACHD 66th Annual Meeting** – September 12th-14th Pismo Beach.
 - **2018 CSDA Annual Conference & Exhibitor Showcase** – Monday, September 24th-27th Indian Wells.
 - Prostate Cancer Screening – Saturday, September 29, 2017, 7:00am-9:00am, Fallbrook Family Health Center
 - Fallbrook Harvest Faire 2018 – Sunday, October 28, 2018, 9:00am-4:00pm, Main Avenue, Downtown Fallbrook
- G2. Next Regular Board meeting – Wednesday, September 12, 2018, Fallbrook Wellness Center, 1636 E. Mission Rd., Fallbrook

H. ADJOURNMENT

There being no further business, the meeting was adjourned at 6:26 p.m.

Gordon Tinker, President

Board Clerk/Secretary

DRAFT

REPORTS

REPORTS

Chief Executive Officer – Bobbi Palmer

CEO REPORT FORTHCOMING

REPORTS
Legislative Communication



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This Week in Sacramento

INFORMATION & INSIGHTS FROM HURST BROOKS ESPINOSA ■ WEEK OF JULY 30, 2018

Legislature Returns Next Week for Final Month of Activity

The Legislature returns Monday, August 6 for the last four weeks of the 2017-18 legislative session. Several major legislative deadlines are on the horizon, which will make for a hectic month in and around the Capitol. The Appropriations Committees in each respective house must determine by August 17 which fiscal measures will be approved and move to the floor for further action. Once that culling process is completed, the final two weeks of session will be exclusively dedicated to moving measures from the floor to the Governor for his consideration.

Worth Noting: LAO's Mac Taylor Announces Retirement

Legislative Analyst Mac Taylor announced his retirement at the end of the calendar year. He is the fifth person to serve as the Legislative Analyst; prior to his appointment as the Analyst, Mac was a long-time LAO staffer, recently celebrating his 40th year at the LAO. He is known for his straight talk about the state's finances during budget deliberations and will be missed.

As noted in our "hot bill" section below, the last day the Legislature may amend bills is August 24. We will be vigilant in monitoring amendments (both expected and even those as yet unexpected) to bills in the coming weeks. We will keep you apprised on developments on both policy issues that have been pending before the Legislature and any matter that spring up overnight in the closing days of session.

Wildfire Liability Becomes End of Session Focus

One of the big issues looming in the Legislature this last four weeks is wildfire preparation and response. The Conference Committee on [SB 901](#) (Wildfire Preparedness and Response) will have met three times by next Thursday, with the first meeting occurring on July 25. The committee will meet twice next week – on August 7 to discuss the electric grid and on August 9 to discuss inverse condemnation. The Conference Committee has a [website](#), which includes agenda and materials.

Governor Brown sent a letter to the Legislature and proposed legislation on July 24 to address wildfire liability and wildfire prevention; some of the Governor's proposal is controversial. Notably, the Governor is proposing to add factors for the court to consider in a civil action for inverse condemnation against an electrical corporation or local publicly owned electric utility seeking damages from an unintended fire when electrical infrastructure is a substantial cause of the fire. The Governor's proposed language would direct the court to balance the public benefit of the electrical infrastructure with the harm caused to private property. The proposal is retrospective in that it would apply to any fire that occurred after January 1, 2018.

Several speakers at the July 25 hearing questioned the constitutionality of changes to inverse condemnation law. Two county supervisors spoke in opposition to the inverse condemnation change – Supervisors Diane Dillon (Napa County) and Carrie Brown (Mendocino County). Instead, both supervisors urged that the Conference Committee focus on fire prevention.

The July 25 agenda included an overview presentation on wildfires, utilities and climate change by a research fellow, Michael Wara. Mr. Wara asserted that the Governor’s proposal on inverse condemnation is constitutional because it is narrowly crafted. He also advocated for securitization – the issuance of bonds – to cover utilities’ wildfire costs, similar to what is proposed in [AB 33](#) (Quirk). The second panel was focused on ensuring a safe and reliable electric grid and included speakers from the California Public Utilities Commission, CalFire, and San Diego Gas & Electric. The Legislative Analyst’s Office (LAO) concluded the hearing with a summary of fiscal and policy actions on wildfire response and recovery. The LAO released an overview [report](#) of wildfire-related funding for the hearing. Finally, the Committee heard extensive public comment – including input from rate payer groups, individuals impacted by recent fires, local governments, the insurance industry, utility employees, utility union workers, and municipal utilities, among others.

We will report next week on the proceedings of the August 7 and 9 conference committee hearings.

No “June Gloom” for State Revenues

The State Controller’s Office has released its monthly [cash report](#) for June 2018, reporting that the state collected \$19.91 billion for the month. All of the “big three” revenue sources came in higher than projected.

Personal income tax receipts of \$12.57 billion were \$691.8 million higher than May Revision estimates. Corporation taxes of \$3.23 billion were \$577.2 million above estimates, while sales tax receipts of \$3.15 billion for June were \$759.0 million above the May Revision.

Housing and Homelessness News

After the 2018-19 state budget was adopted, the state has been busy getting various housing and homeless assistance programs up and running. This flurry of activity is summarized below:

The [Homeless Coordinating and Financing Council](#) met to discuss the Homeless Emergency Aid Program (HEAP), which it is responsible for administering. HEAP will provide \$500 million to local governments in one-time flexible block grants to address emergency homeless needs. \$250 million is allocated to Continuums of Care (CoCs) based on Point-in-Time count thresholds; \$100 million in allocated to CoCs based on its proportional share of the state’s homeless population; and \$150 million is provided to cities (including the City and County of San Francisco) with populations above 330,000. The Council indicated that it was committed to a “streamlined and expedient process” and will be making applications available as soon as possible and providing approvals/disbursements on a rolling basis. A Notice of Funding Availability (NOFA) for the first round of funding could be available in a few weeks.

Homeless Mentally Ill Outreach and Treatment Program funding applications were released by the state Department of Health Care Services (DHCS) this week. The Homeless Mentally Ill Outreach and Treatment Program is designed to provide flexible one-time funding for county activities involving individuals with serious mental illness and who are homeless or at risk of homelessness. Counties

must submit a letter of intent and Board resolution affirming participation to DHCS by **September 25, 2018**. For more information, visit the CSAC homelessness resources [website](#).

HCD has posted a list of [frequently asked questions](#) regarding the 2017 housing package, including information regarding accessing the first year of funds from SB 2.

HCD also is gearing up for release of No Place Like Home (NPLH) funding pending voter approval of Proposition 2 in November. A NOFA for the noncompetitive allocation will be issued in advance of the November election. Counties must first accept their noncompetitive allocation funds by submitting noncompetitive allocation acceptance documentation to HCD no later than February 15, 2019. More information can be found at HCD's NPLH [website](#), including a helpful [outline](#) of necessary components of a county's plan to reduce homelessness.

Centers for Medicare and Medicaid Services Issues Proposed Rule that Could Impact In-Home Supportive Services (IHSS)

The Centers for Medicare and Medicaid Services (CMS) released a [proposed rule](#) change for public comment in July; **input is due August 13**. The rule would prohibit a state from diverting Medicaid payments away from IHSS providers, unless authorized in statute. The rule may interfere with the ability of states to deduct health insurance benefits, training, and other benefits for IHSS providers. Additionally, the rule may interfere with deductions for union dues.

California Attorney General Xavier Becerra submitted [comments](#) to CMS, outlining considerable concerns with the proposal. Additionally, the Brown Administration and several stakeholders, including counties and health plans, are working on comments. The proposed rule is overly broad and could interfere with health care and other benefits provided to IHSS providers. Additionally, the text of the proposed rule makes it clear that CMS does not know what its impact would be or provide any justification for the proposed change. Finally, payroll deductions and payments to vendors for benefits are not a "reassignment" and do not violate the law.

BSCC Appoints Committee Co-Chairs to Guide Application Process for Two New Grant Opportunities

At its July 12 meeting, the Board of State and Community Corrections (BSCC) took action to name co-chairs for two Executive Steering Committees that will be responsible for developing the application process for two new competitive grants approved in the 2018-19 budget. Key details are provided below.

- **Adult Reentry Grant Program** - \$50 million in funding for competitive grants to be awarded to community based organizations (CBOs) to provide services to those previously incarcerated in state prison. Specific purposes of the funding are designated as follows:
 - **\$25 million** for rental assistance;
 - **\$15 million** for rehabilitation of existing property to house the formerly incarcerated
 - **\$9.35 million** to support a "warm hand-off" and reentry of offenders reintegrating in to the community;
 - **\$150,000** to support the Berkeley Underground Scholars [Initiative](#)
 - **\$500,000** to the BSCC for administrative costs associated with administration of the grant program

➔ **BSCC Chair Linda Penner and BSCC Board member Francine Tournour were appointed co-chairs.**

- **Youth Reinvestment Grant Program** - \$37.3 million in funding over three-years for the following purposes:
 - **\$35.1 million** in competitive grants to be awarded to local government lead agencies for implementing evidence-based and trauma-informed diversion programs for youth in underserved communities; 90% of the grant amounts (ranging from a minimum of \$50,000 to a maximum of \$1 million per lead agency) must be passed through to CBOs;
 - **\$1.1 million** to provide diversion programs for Native American youth
 - **Up to \$1.1 million** to the BSCC for administrative costs associated with administration of the grant program
- ➔ **BSCC Board members David Steinhart and Chief Mark Varela were appointed co-chairs.**

Click [here](#) for more information on the BSCC July 12 agenda and additional background on these grant programs. A solicitation process is underway to secure participation in the Executive Steering Committees that will develop the grant applications and subsequently rate proposals. HBE will share additional details, including the timeline for the grant applications, as they become available. More information can be tracked on the BSCC website [here](#) (adult reentry) and [here](#) (youth reinvestment).

Hot Bill Update

As noted above, the Legislature is down to its last four weeks of business for this second year of the 2017-18 legislative session. Significant legislative deadlines loom, requiring that bills move out of fiscal (appropriations) committees by August 17 and requiring that all amendments be made to bills by August 24. We highlight below several of the measures of interest and consequence that we will be monitoring in the weeks ahead. This list may evolve as new details or proposals emerge.

AB 626 (E. Garcia) – Microenterprise Home Kitchens

[AB 626](#), by Assembly Member Eduardo Garcia, would permit “microenterprise home kitchens” in the California Retail Food Code and allow the direct sale of potentially hazardous foods to consumers in private homes. Supporters of the bill include Airbnb, as well as home cooks. In opposition to AB 626 are CSAC, the Rural County Representatives of California, the Urban Counties of California, several individual counties, as well as the respective statewide associations of county health executives and county health officers. AB 626 will be heard on August 13 in the Senate Appropriations Committee.

AB 1971 (Santiago) – Expansion of Gravely Disabled Definition

[AB 1971](#), by Assembly Member Miguel Santiago, sponsored by the County of Los Angeles, seeks to expand the existing definition of “gravely disabled” to include a person’s inability to provide for his or her personal needs for “medical treatment,” if the failure to receive medical treatment results in a deteriorating physical condition or death. As recently amended, AB 1971, among other things, narrows the measure to a five-year pilot in Los Angeles County only. Conversations about the measure have continued over the summer break. Its next hearing is before the Senate Appropriations Committee on August 6.

SB 212 (Jackson) – Pharmaceutical and Sharps Waste Stewardship Program

[SB 212](#), by Senator Hannah Beth Jackson, as gutted and amended in late June, would require manufacturers of covered drugs or sharps, as specified, to establish a pharmaceutical and sharps

waste stewardship program. Work to further refine SB 212 has been underway over the legislative break. The bill awaits hearing in the Assembly Appropriations Committee.

SB 10 (Hertzberg) – Bail Reform

[SB 10](#), by Senator Robert Hertzberg and Assembly Member Rob Bonta, is a measure introduced in 2017 that seeks to significantly reform the state’s bail system. As currently in print, SB 10 would require (1) establishment of county-level pretrial services agencies, (2) use of a risk assessment tool to determine an arrestee’s likelihood to reoffend and return to court, and (3) preparation of a pretrial services report with recommendations for conditions of release for – with certain exceptions – persons arrested and booked into jail. At the end of August last year, Governor Brown, Chief Justice Tani Cantil-Sakauye, and the authors of SB 10 jointly announced a commitment to continue discussions on bail reform over last Fall and into 2018 in order to work on both operational and cost elements of the measure. The bill has remained in the Assembly Appropriations Committee since last Fall.

We do anticipate renewed legislative activity on SB 10 – including substantive amendments to the measure – in the closing weeks of session. Details on the scope and substance of anticipated changes are not yet known, but we will report new developments as they emerge. As reported previously, the 2018-19 state budget architecture contemplates dedication of up to \$50 million to address changes to the bail system.

SB 822 (Wiener) – Net Neutrality

Before the break, Senator Scott Weiner, Assembly Member Miguel Santiago, Senator Kevin de León, and Assembly Member Rob Bonta [announced](#) an agreement on Senator Wiener’s [SB 822](#). This announcement followed what was viewed as hostile amendments dropped into SB 822 in late June by the Assembly Communications and Conveyance Committee chaired by Assembly Member Santiago. We anticipate seeing amendments in the coming days that will reflect ongoing conversations over the summer recess to redesign the net neutrality measure. SB 822 awaits hearing in the Assembly Appropriations Committee.

SB 828 (Wiener) – RHNA Reform

[SB 828](#), by Senator Scott Wiener, seeks to reform the Regional Housing Needs Assessment process. As reported previously, the measure was significantly scaled back in the Assembly Local Government Committee in early July before the Legislative break. All provisions in Sections 1 through 3 of the bill have been stricken; these amendments appear to largely address local government concerns. SB 828 will be heard in the Assembly Appropriations Committee on August 8.

SB 1303 (Pan) – Office of the Medical Examiner

[SB 1303](#), by Senator (and physician) Richard Pan, would – as now in print – require general law counties with a population of more than 500,000 that operate a consolidated sheriff-coroner office to abolish the office of the coroner and establish an independent office of the medical examiner. Some counties have already opted to adopt this model.

When SB 1303 was heard in the Assembly Public Safety Committee, Senator Pan agreed to amend the measure to give counties the option of either establishing an independent office of the medical examiner or contracting out for cases in which a conflict may exist (e.g., a peace officer-involved

shooting). Language is not yet available reflecting these agreed-upon changes. The bill is up for hearing in the Assembly Appropriations Committee on August 8.

Legislative Analyst's Office Reports

Reports of interest recently released by the Legislative Analyst's Office (LAO) over the summer recess include the following:

Policy Area	Issues
California Spending Plan link	<ul style="list-style-type: none"> 2018-19 state budget and other major budget action approved in 2018 (up through June 30, 2018)* <p>* An updated version that will reflect any additional budget actions taken through the end of session will be released this fall.</p>

Upcoming Hearings

The following hearings of note are scheduled for the Legislature's first week back after the summer recess.

Date	Committee	Topic
Monday, August 6	Senate Appropriations Committee	Fiscal hearings on hundreds of measures (agenda here)
Tuesday, August 7	Joint Hearing of Assembly Select Committee on Hate Crimes and Joint Legislative Audit Committee	<i>Oversight hearing</i> – Hate Crimes in California
	Conference Committee on SB 901 (Wildfire Preparedness and Response)	<i>Informational hearing</i> – Ensuring a Safe and Reliable Electric Grid
Wednesday, August 8	Assembly Appropriations Committee	Fiscal hearings on hundreds of measures (agenda here)
	Joint Legislative Audit Committee	Consideration of new audit requests (agenda here)
Thursday, August 9	Conference Committee on SB 901 (Wildfire Preparedness and Response)	<i>Informational hearing</i> – Inverse Condemnation and Electric Utilities

Please feel free to contact any one of us at Hurst Brooks Espinosa with questions ...

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Conference Committee Meets to Discuss Wildfire Liability

The Conference Committee on [SB 901](#) (Dodd) met twice this week to discuss safety and reliability of the grid as well as **inverse condemnation** (see box) and liability of utility companies for costs associated with wildfires. Both hearings included lengthy debates on these complex topics, often with participants expressing completely opposite viewpoints and challenging the facts expressed in previous testimony. Legislators seemed uncomfortable

(and, in some cases, frustrated) with the Governor's proposal to limit the liability of utility companies, as many participants challenged the constitutionality of such a change and suggested that reducing the utilities' liability would then result in a less-than-robust maintenance and safety effort on the utilities' part. (In a related note, the Legislative Analyst's Office presented [information](#) to the Conference Committee at its late July hearing detailing response and recovery costs for 2017 wildfires.)

With only three weeks left in the legislative session, it's difficult to predict what the Conference Committee will be able to come to agreement on, given anxieties about changing inverse condemnation and the wide range of other issues that remain on the table, like fuel management, utility safety plans, and improvements to the mutual aid system.

For more news and views on the wildfire discussion: Assembly Members Dr. Jim Wood and Brian Dahle co-authored an [op-ed](#) in the *Sacramento Bee* this week, calling for an increased effort to fund vegetation management; CalMatters [reported](#) this week that utility lobbying expenses doubled this year; and, finally, the Bay Area's KQED recaps yesterday's Conference Committee hearing [here](#).

The Conference Committee will again meet twice next week – on Tuesday, August 14 and Thursday, August 16 – to discuss wildfire preparedness and response. Per Senator Dodd, at least two additional conference committee hearings are expected before the end of session.

Newly Elected Senator Will See But Three Weeks of Action in Sacramento

In a special election held Tuesday, Vanessa Delgado, who currently serves as the mayor of the City of Montebello, won the Senate seat previously held by Senator Tony Mendoza. He resigned earlier this year in the face of alleged sexual misconduct.

What makes Senator-elect Delgado's victory so interesting is that she only will serve for the remainder of former Senator Mendoza's existing term, which ends November 30. She will only have

A Closer Look: What is Inverse Condemnation?

Inverse condemnation is a legal concept that entitles property owners to just compensation if their property is damaged by a public use. This liability rule applies to all government agencies and utilities.

approximately three weeks of active service in the Capitol, given that the legislative session ends on August 31.

The election to fill the Senate seat for the term beginning in December pits heavily favored Democrat Bob Archuleta against Senator-elect Delgado's special election challenger, Republican Rita Topalian.

The 32nd Senate District serves portions of Los Angeles and Orange Counties. For more on the historic circumstances surrounding this election, see the *Sacramento Bee* article [here](#).

Hot Bill Update

This week flew by rather quickly, leaving only 15 potential legislative work days to conclude the houses' remaining business. Up next week is the all-important "suspense" deadline, when the respective Appropriations Committees will announce which measures with fiscal impacts will move on to be considered on the floor of the second house. Suspense file hearings in both houses have been set for Thursday, August 16. We will continue to update you on what we've identified as "hot bills;" our list below has expanded a bit this week and will likely expand and contract as developments occur.

SB 10 (Hertzberg) – Bail Reform

After months of inactivity, [SB 10](#), by Senator Robert Hertzberg and Assembly Member Rob Bonta, has been set for hearing next Wednesday in the Assembly Appropriations Committee. The measure, introduced in 2017, seeks to significantly reform the state's bail system. As currently in print, SB 10 would require (1) establishment of county-level pretrial services agencies, (2) use of a risk assessment tool to determine an arrestee's likelihood to reoffend and return to court, and (3) preparation of a pretrial services report with recommendations for conditions of release for – with certain exceptions – persons arrested and booked into jail. As reported previously, Governor Brown, Chief Justice Tani Cantil-Sakauye, and the authors of SB 10 jointly announced late last summer a commitment to continue discussions on bail reform over last Fall and into 2018 in order to work on both operational and cost elements of the measure. Until rumors started percolating up over the last week, discussions about how best to amend SB 10 have taken place quietly and behind the scenes.

As we now understand it, SB 10 is expected to be significantly amended in the Appropriations Committee. The result of the redraft will reportedly eliminate the significant mandate on counties, but the specific scope and substance of proposed amendments remain unknown. We will continue to keep you apprised on developments, particularly given the limited amount of time left in the session and the potential consequences the measure may contemplate for local criminal justice systems.

AB 626 (E. Garcia) – Microenterprise Home Kitchens

[AB 626](#), by Assembly Member Eduardo Garcia, would permit "microenterprise home kitchens" in the California Retail Food Code and allow the direct sale of potentially hazardous foods to consumers in private homes. Supporters of the bill include Airbnb, as well as home cooks. In opposition to AB 626 are CSAC, the Rural County Representatives of California, the Urban Counties of California, several individual counties, as well as the respective statewide associations of county health executives and county health officers. AB 626 will be heard on August 13 in the Senate Appropriations Committee.

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SB 212 (Jackson) – Pharmaceutical and Sharps Waste Stewardship Program

[SB 212](#), by Senator Hannah Beth Jackson, as gutted and amended in late June, would require manufacturers of covered drugs or sharps, as specified, to establish a pharmaceutical and sharps waste stewardship program. Work to further refine SB 212 is ongoing. The bill will be heard on August 15 in the Assembly Appropriations Committee.

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Before the July break, Senator Scott Weiner, Assembly Member Miguel Santiago, Senator Kevin de León, and Assembly Member Rob Bonta [announced](#) an agreement on Senator Wiener’s [SB 822](#). This announcement followed what was viewed as hostile amendments dropped into SB 822 in late June by the Assembly Communications and Conveyance Committee chaired by Assembly Member Santiago. SB 822 was amended this week and has been re-referred to the Assembly Communications and Conveyance Committee for another hearing.

SB 828 (Wiener) – RHNA Reform

[SB 828](#), by Senator Scott Wiener, seeks to reform the Regional Housing Needs Assessment process. As reported previously, the measure was significantly scaled back in the Assembly Local Government Committee in early July before the Legislative break. All provisions in Sections 1 through 3 of the bill have been stricken; these amendments appear to address local government concerns. SB 828 is on the Assembly Appropriations Committee suspense file.

SB 1121 (Dodd) – Consumer Privacy Clean-up

[SB 1121](#), by Senator Bill Dodd, has been identified as the clean-up vehicle to AB 375 (Chau), a measure negotiated and enacted in the closing weeks of June as an alternative to a more expansive privacy rights measure that was close to qualifying for the November ballot. Senator Dodd’s office, along with the offices of Assembly Member Chau and Senator Hertzberg, are working with stakeholders on technical clean-up language; additional amendments will be forthcoming.

SB 1303 (Pan) – Office of the Medical Examiner

[SB 1303](#), by Senator (and physician) Richard Pan, would – as now in print – require general law counties with a population of more than 500,000 that operate a consolidated sheriff-coroner office to abolish the office of the coroner and establish an independent office of the medical examiner. Some counties have already opted to adopt this model.

When SB 1303 was heard in the Assembly Public Safety Committee, Senator Pan agreed to amend the measure to give counties the option of either establishing an independent office of the medical examiner or contracting out for cases in which a conflict may exist (e.g., a peace officer-involved shooting). Language reflecting these agreed-upon changes has yet to surface. The bill is now on the

Assembly Appropriations Committee suspense file; in its fiscal analysis, the committee pegged reimbursable costs associated with the measure as now drafted in excess of \$5 million annually.

Upcoming Hearings

A number of important hearings are scheduled for next week, as noted below.

Date	Committee	Topic
Monday, August 13	Senate Appropriations Committee	<i>Final regular session hearing</i> - Fiscal analyses on hundreds of measures (agenda here)
	Joint Hearing of the Assembly Select Committee on the Census; Assembly Select Committee on the Nonprofit Sector; and Senate Select Committee on the 2020 United States Census	<i>Informational hearing</i> – Connecting the Census to Californians: The Roles of Non-Profits and Local Governments
	Assembly Select Committee on Housing Affordability for the Middle and Working Class	<i>Informational hearing</i> – Understanding pro formas of middle income developments
Tuesday, August 14	Joint Legislative Budget	<i>Informational hearing</i> – Department of Water Resources: Proposed Water Supply Contract Extension and Amendments
	Conference Committee on Wildfire Preparedness and Response	<i>Informational hearing</i> – Wildfire Preparedness and Response (see information here)
Wednesday, August 15	Assembly Appropriations Committee	<i>Final regular session hearing</i> - Fiscal analyses on hundreds of measures (agenda here)
	Assembly Budget Committee	2018 Budget Bill Clean-up
	Senate Budget and Fiscal Review Committee	2018 Budget Bill Clean-up
Thursday, August 16	Assembly Appropriations Committee	Suspense File hearing (agenda here)
	Senate Appropriations Committee	Suspense File hearing (agenda here)
	Conference Committee on Wildfire Preparedness and Response	<i>Informational hearing</i> – Wildfire Preparedness and Response (see information here)

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Wildfire Conference Committee Deliberations Continue

The Conference Committee on Wildfire Preparedness and Response met this week to discuss fuel reduction and vegetation management, with a focus on the resources available for such activities and what resources are necessary to improve outcomes during catastrophic fire events. While the Conference Committee was scheduled to meet twice this week, their Thursday meeting was cancelled. The Committee is scheduled to meet on Tuesday and Thursday of this week, as well.

While talks on reaching an agreement on statutory changes to help prepare for and respond to wildfires are occurring behind the scenes, we know that the Governor's proposal to change the strict liability standard of inverse condemnation has had a rough go. On Tuesday, Senate Republican Leader Pat Bates and Senator Jim Nielsen released a statement: "We believe it is in the best interest of the public for the Legislature to defer discussion of inverse condemnation to a later time." Others have suggested that there simply isn't time to sufficiently vet a complex proposal that could have significant legal consequences. Fair warning – there are only a few more days to come to agreement on an approach, amend it into SB 901 or some other vehicle and move it through the legislative process by August 31.

Legislature Acts on a New Round of Budget Trailer Bills

This week, the budget committees in both houses met to consider several clean-up measures to correct and/or amend previously approved 2018-19 budget actions.

We are aware that, in addition to the bills summarized in the table below, the Legislature will consider amendments to the mentally ill diversion program, previously approved in AB 1810, the 2018-19 health trailer bill. Given concerns around eligibility requirements and the overall structure of the Governor's proposal to reduce the Incompetent to Stand Trial (IST) population by way of a diversion-to-treatment program, the Administration has redrafted certain aspects of the program structure. That bill is not yet in print, but our review of the draft language includes the following elements: (1) that the \$100 million in funds appropriated for this purpose over a period of three years will be made available on a competitive basis through a process administered by the Department of State Hospitals; (2) that before a diversion can be granted for individuals charged with felonies, the board of supervisors must adopt a plan with specified local partners (including the district attorney, defense bar, the local defense bar and superior court) to determine eligibility and, if desired, other participation criteria. We will provide additional details on those amendments when language is in print.

2018-19 Budget /Trailer Bill Clean-up Measures – As of August 16, 2018

AB 1828/SB 862	Budget Bill, Jr.	<ul style="list-style-type: none"> ▪ Makes various amendments to the main 2018-19 spending plan ▪ Gives Judicial Council expenditure authority of up to \$15 million in 2018-19 for start-up costs associated with pre-trial services (bail) reform, conditioned on passage of a bail reform measure; estimates annual implementation costs of \$200 million; see discussion of SB 10 below.
AB 1829/SB 861	Mortgage Settlement	<ul style="list-style-type: none"> ▪ Makes statutory changes related to the National Mortgage Special Deposit Fund established to receive the state's portion of mortgage settlement following the 2008 financial crisis
AB 1833/SB 846	Employment	<ul style="list-style-type: none"> ▪ Makes various technical changes to provisions enacted in SB 857, the 2018-19 trailer bill regarding IHSS provider orientation
AB 1835/SB 867	Legislative Counsel: workplace conduct services	<ul style="list-style-type: none"> ▪ In response to recent sexual misconduct cases in the Capitol, establishes a unit within the Legislative Counsel Bureau to provide advice and investigative services to the Legislature related to workplace misconduct ▪ Makes a related appropriation
AB 1840/SB 874	Education finance	<ul style="list-style-type: none"> ▪ Makes various technical changes to provisions necessary for implementing education-related aspects of state budget
AB 1842/SB 876	Human services	<ul style="list-style-type: none"> ▪ Makes various technical changes and appropriates \$10,000 for specified administrative activities
AB 1844/SB 878	Taxes: credits: qualified motion pictures	<ul style="list-style-type: none"> ▪ Extends the deadline – from July 1, 2019 to January 1, 2012 – for the Legislative Analyst's Office to prepare reports related to the effectiveness and administration of previously enacted film tax credits ▪ Amends the California Film Commission's allocation authority for unused credit ▪ Makes a \$5,000 appropriation to the California Film Commission for work necessary to develop rules associated with the programs established under specified film tax credits
AB 1845/SB 879	Public safety	<ul style="list-style-type: none"> ▪ Clarifies as declarative of existing law certain limits on the State Auditor's authority with respect to records disclosure related to investigations of the Commission on Judicial Performance ▪ Revises from 50 to 48 the number of superior court judgeships previously authorized but not yet funded to reflect allocation of two judgeships to the County of Riverside in the 2018-19 Budget ▪ Makes technical change to procedures for licensing participants in Ventura County firefighter training program ▪ Reappropriates and extends encumbrance deadline for a portion of Peace Officer Training Funds previously allocated in 2015-16

AB 1846/SB 869	Elections	<ul style="list-style-type: none"> ▪ Appropriates federal funds to the Secretary of State for elections security ▪ Clarifies an election-related amendment to the County of San Diego charter
AB 1841/SB 875	Public resources	<ul style="list-style-type: none"> ▪ Makes various technical changes to public resources provisions of the 2018-19 state budget
AB 1843/SB 877	State Government	<ul style="list-style-type: none"> ▪ Authorizes Department of Housing and Community Development (HCD) to charge a project monitoring fee associated with loans from the Housing for a Healthy California Program ▪ Makes various changes to prevailing wage provisions associated with public works projects, including a requirement that employees affected by a work stoppage be paid the prevailing wage rate for any time lost, not to exceed 10 days ▪ Specifies that an entity awarding a public work contract under specified circumstances without a formal bidding process, such as in an emergency, shall also provide notice to the Department of Industrial Relations; also provides for due process procedures for the processing of citations and issuance of penalties for a failure to provide notice ▪ Exempts contracts related to the 2020 United States Census entered into by the Government Operations Agency or the Office of Planning and Research from specified provisions of the Public Contract Code applicable to state agencies ▪ Extends by two years the amount of time local mass transit providers have to repay a specified loan

Hot Bill Update

The Legislature has 10 legislative work days to conclude the houses' remaining business. Many authors are continuing to work on their bills but are facing a looming August 24 deadline for amending bills. We anticipate seeing amendments through that deadline. We will continue to update you on what we've identified as "hot bills;" our list below has expanded a bit this week to note the bills that survived – and those that did not – the Appropriations culling as a result of Suspense File decisions.

SB 10 (Hertzberg) – Bail Reform

After weeks of a rumored redraft of the bail reform measure – [SB 10](#), by Senator Robert Hertzberg and Assembly Member Rob Bonta – language is finally public as of this afternoon. The revised approach fundamentally shifts pretrial release decisions from being made based on a person's ability to post bail to one founded in the assessment of risk (to flee or to reoffend). As redrafted, the bill appears to completely eliminate the current money bail system.

Under the rewritten measure, SB 10 establishes a new system of pretrial assessment services, with primary new responsibilities conferred to the Judicial Council and the local courts. The measure specifies different processes for making release determinations for persons found with low, medium, or high risk levels based on the use of a validated risk assessment. Implementation would begin October 1, 2019.

The measure makes explicit that new pretrial assessment services must be performed by public employees. It gives local courts the authority to have court employees carry out the new duties or to contract with a qualified local agency, which by way of definition would be county probation. Courts would have the option – if the qualified local agency chooses not to contract to provide the pretrial assessment services – to contract with a new public agency that could be established expressly for taking on the defined duties.

As for funding the overhaul of the bail system, note in the budget update above that AB 1862/ SB 862 would authorize, contingent upon the enactment of a bail reform bill, expenditure of up to \$15 million to cover the costs of start-up activities in 2018-19. Additionally, the identical budget clean-up bills also estimate that annual costs for the new system may reach \$200 million. Under the provisions of SB 10, the Department of Finance – in consultation with the Judicial Council and the Chief Probation Officers of California – would be required, as part of the annual state budget preparation process, to estimate two elements of costs associated with implementation of SB 10. An estimate of the costs of pretrial assessment services would be based on a number of factors set forth in the measure; funds would be directed from the Judicial Council to the courts and passed through to the local public agency responsible for carrying out the new functions. Secondly, probation departments would receive a direct allocation for costs associated with any new pretrial supervision responsibilities.

SB 10 awaits passage on the Assembly floor and could be taken up as early in the week as possible. The bail industry will, of course, continue its considerable effort to halt the measure. It also has been reported that two of the initial co-sponsors of bail reform – the ACLU and the statewide public defenders' association – have both stepped away from SB 10, stating that it does not go far enough and could, in fact, result in an increase in local detention. The Governor has signaled that he would be willing to sign a pretrial reform measure should one reach his desk.

HBE will provide a more detailed summary of SB 10, as amended, next week.

AB 626 (E. Garcia) – Microenterprise Home Kitchens

[AB 626](#), by Assembly Member Eduardo Garcia, would permit “microenterprise home kitchens” in the California Retail Food Code and allow the direct sale of potentially hazardous foods to consumers in private homes. Supporters of the bill include Airbnb, as well as home cooks. In opposition to AB 626 are CSAC, the Rural County Representatives of California, the Urban Counties of California, several individual counties, as well as the respective statewide associations of county health executives and county health officers. Senate Appropriations Committee passed AB 626 to the Senate Floor.

AB 1971 (Santiago) – Expansion of Gravely Disabled Definition

[AB 1971](#), by Assembly Member Miguel Santiago, sponsored by the County of Los Angeles, seeks to expand the existing definition of “gravely disabled” to include a person’s inability to provide for his or her personal needs for “medical treatment,” if the failure to receive medical treatment results in a deteriorating physical condition or death. As recently amended, AB 1971, among other things, narrows the measure to a five-year pilot in Los Angeles County only. AB 1971 moved out of Senate Appropriations to the Senate Floor with no amendments.

SB 212 (Jackson) – Pharmaceutical and Sharps Waste Stewardship Program

[SB 212](#), by Senator Hannah Beth Jackson, as gutted and amended in late June, would require manufacturers of covered drugs or sharps, as specified, to establish a pharmaceutical and sharps waste stewardship program. Assembly Appropriations Committee passed the measure on Thursday off the Suspense File. The bill is headed to the Assembly Floor. Work to further refine SB 212 is ongoing; keep an eye out for amendments.

SB 822 (Wiener) – Net Neutrality

Before the July break, Senator Scott Weiner, Assembly Member Miguel Santiago, Senator Kevin de León, and Assembly Member Rob Bonta [announced](#) an agreement on Senator Wiener's [SB 822](#). This announcement followed what was viewed as hostile amendments dropped into SB 822 in late June by the Assembly Communications and Conveyance Committee chaired by Assembly Member Santiago. SB 822 was amended on August 9 and, following rule waivers approved this week, will be heard next Wednesday before the Assembly Communications and Conveyance Committee.

SB 828 (Wiener) – RHNA Reform

[SB 828](#), by Senator Scott Wiener, seeks to reform the Regional Housing Needs Assessment process. As reported previously, the measure was significantly scaled back in the Assembly Local Government Committee in early July before the Legislative break. All provisions in Sections 1 through 3 of the bill have been stricken; these amendments appear to address local government concerns. SB 828 moved from the Assembly Appropriations Committee suspense file with amendments.

SB 944 (Hertzberg) – Community Paramedicine

Assembly Appropriations held [SB 944](#), by Senator Hertzberg, a measure which would have provided a statutory framework for community paramedicine. The Office of Statewide Health Planning and Development approved an application by the state Emergency Medical Services Agency (EMSA) for the operation of specific paramedicine programs in various parts of the state. Fourteen projects are operating throughout the state. SB 944 would allow other jurisdictions to participate. The measure had opposition from the California Nurses Association, the California Hospital Association, the EMS Administrators Association of California and EMS directors. Assembly Appropriations also held a narrower measure, [AB 1795](#), earlier this year that would have allowed for alternative transport statewide (which is one of the existing pilot types).

SB 974 (Lara) – Medi-Cal Expansion

Senator Ricardo Lara's measure, [SB 974](#), to expand Medi-Cal to undocumented seniors was held in Assembly Appropriations Committee on Thursday. Given that 2018-19 state budget negotiations did not include funding for expanding Medi-Cal to undocumented adults, it is not surprising that the bill is not moving forward this year.

SB 1045 (Wiener) – Conservatorships

[SB 1045](#), by Senator Scott Wiener, would create a new category of conservatorship for a person who is chronically homeless and incapable of caring for his or her own health and well-being due to acute and severe mental illness or a severe substance abuse disorder, as evidenced by specified circumstances. As amended in May, the bill authorizes two specific jurisdictions – the County of Los Angeles as well as the City and County of San Francisco – to opt-in to make use of the provisions in

SB 1045. The measure got out of Assembly Appropriations yesterday with amendments, which are not yet in print.

SB 1121 (Dodd) – Consumer Privacy Clean-up

[SB 1121](#), by Senator Bill Dodd, has been identified as the clean-up vehicle to AB 375 (Chau), a measure negotiated and enacted in the closing weeks of June as an alternative to a more expansive privacy rights measure that was close to qualifying for the November ballot. Senator Dodd's office, along with the offices of Assembly Member Chau and Senator Hertzberg, are working with stakeholders on technical clean-up language; additional amendments will be forthcoming. The bill is on the Assembly Floor.

SB 1303 (Pan) – Office of the Medical Examiner

[SB 1303](#), by Senator (and physician) Richard Pan, would – as now in print – require general law counties with a population of more than 500,000 that operate a consolidated sheriff-coroner office to abolish the office of the coroner and establish an independent office of the medical examiner. Some counties have already opted to adopt this model.

When SB 1303 was heard in the Assembly Public Safety Committee, Senator Pan agreed to amend the measure to give counties the option of either establishing an independent office of the medical examiner or contracting out for cases in which a conflict may exist (e.g., a peace officer-involved shooting). Draft amendments to do just that surfaced this week, but have not yet been amended into the bill. It does not appear that the proposed amendments will change the position of the bill's opponents. This week, SB 1303 passed off of the Assembly Appropriations Committee suspense file and awaits a hearing on the Assembly floor.

Upcoming Workshops on Homelessness Funding Opportunities

The Department of Housing and Community Development (HCD) and the Homeless Financing and Coordinating Council are hosting a series of workshops to provide information on accessing funding associated with the various funding programs authorized in this year's budget.

Note that these workshops are filling quickly. The Sacramento and Riverside workshops are already sold out for in-person participation.

August 24 – Sacramento

10:00 a.m. – 4:30 p.m.
CA Department of Housing and Community
Development, Room 402
2020 W El Camino Ave, Sacramento, CA

Track 1: NPLH

[Join the webinar](#)
Meeting number: 731 023 870
Meeting password: NPLH1
Audio Only: (877) 873-8018
Access code: 9035096

Track 2: CESH/HEAP

[Software download](#)
[Join the webinar](#)
Audio Only: (877) 336-1829
Access code: 2636575

August 30 – Oakland

10:00 a.m.-4:30 p.m.
Elihu Harris Building, Room 1
1515 Clay St, Oakland, CA
[In person registration](#)

September 7 – Visalia

10:00 a.m.-4:30 p.m.
Tulare County Office of Education, Room Redwood EF
6200 S Mooney Blvd., Visalia, CA
[In person registration](#)

September 10 – Riverside

10:00 a.m.-4:30 p.m.
California Tower, Room 200
3737 Main St., Riverside, CA
[In person registration](#)

In related news, HCD has released the Notice of Funding Availability (NOFA) for \$53 million in funding for the California Emergency Solutions and Housing Program. More information can be found [here](#). HCD has also released a NOFA for the \$190 million in No Place Like Home (NPLH) funding for the non-competitive allocation. More information can be found [here](#).

July Revenue Update

The Department of Finance (DOF) released its monthly cash [report](#), indicating that General Fund revenues for July 2018 were down about \$178 million. While personal income tax revenues were up for the month by \$249 million, sales tax revenues and corporate tax revenues were down, \$480 million and \$17 million, respectively.

Upcoming Hearings

As we march our way through the closing weeks of session, the Legislature will primarily – outside of business before the conference committee on wildfires, informational hearings, and committee hearings on bills that have received rule waivers – dedicate itself to moving bills off the floor and on to the Governor. Next week, the hearings on tap include the following.

Date	Committee	Topic
Tuesday, August 21	Conference Committee on Wildfire Preparedness and Response	<i>Informational hearing</i> – Wildfire Preparedness and Response (see committee information here)
Wednesday, August 22	Assembly Agriculture Committee	<i>Informational hearing</i> – Environmental Benefits of Agriculture in California
	Assembly Communications and Conveyance	SB 822 (Wiener) – Communications: broadband Internet access service
Thursday, August 23	Conference Committee on Wildfire Preparedness and Response	<i>Informational hearing</i> – Wildfire Preparedness and Response (see committee information here)

Please feel free to contact any one of us at Hurst Brooks Espinosa with questions ...

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This Week in Sacramento

INFORMATION & INSIGHTS FROM HURST BROOKS ESPINOSA ■ WEEK OF AUGUST 20, 2018

Wildfire Conference Committee Adopts Package of Reforms

The Conference Committee on Wildfire Response and Preparedness met today to adopt a conference report that includes the following components:

Utility Fire Prevention and Planning: This proposal largely tracks the Governor’s plan for both investor-owned utilities (IOUs) and publicly-owned utilities (POUs) to prepare, adopt and implement comprehensive fire protection plans. In addition to being reviewed by the California Public Utilities Commission (CPUC), IOU plans will be reviewed by CALFIRE and other state experts to ensure plans are “leading edge” efforts to mitigate wildfire risk. POU plans will be reviewed by local governing bodies.

Forestry and Landscape Management: The proposal incorporates small landowner incentives, fuels reduction, and other measures to expedite removal of dead and dying trees and chaparral from moderate, significant, and extreme fire risk areas. Provisions will also include CEQA streamlining, small landowner exemptions from timber harvesting rules, and new requirements for the State Air Resources Board to quantify and publish greenhouse gas emissions from fires, as well as extension of biomass contracts and revised standards that plants must meet in order to give more flexibility on monthly and annual reporting requirements. All conservation easements granted by state agencies will be required to include conditions for wildfire, fuels reduction, carbon sequestration, and wildlife habitat protection.

CPUC Reasonableness Review: The proposal will revise and add new provisions to current law directing the CPUC to take into account additional factors such as the nature and severity of the conduct of the IOU, whether it disregarded risk of fires, whether factors outside the control of the IOU were a causal factor in the fire, whether it had a past record of disregard for fire protection, and whether extreme weather events contributed to the fires.

IOU Ratepayer Protection Bonds: The proposal will allow the CPUC to authorize an IOU to “finance” those costs that are put into utility rates where they are the result of a catastrophic fire. Financing

Worth Noting: Leadership Changes at Department of Finance

Governor Brown announced yesterday the appointment of Keely Bosler as Director of the Department of Finance. She replaces Michael Cohen, who has served in that role since 2013. Earlier this week, Mr. Cohen was confirmed to a 12-year term on the University of California Board of Regents.

Ms. Bosler has served as Cabinet Secretary in the Office of the Governor since 2016. Previously, she served for three years as chief deputy director for budget at the Department of Finance. Ms. Bosler also held various roles, including staff director for the California State Senate Budget and Fiscal Review Committee for almost a decade. She began her career in Sacramento at the Legislative Analyst’s Office.

these costs with appropriate parameters is a mechanism for the CPUC to approve a dedicated rate component, to allow an IOU to revenue bonds to help repay that debt, and to manage and even out costs to ratepayers to avoid spikes and excessive utility bills.

Mutual Aid: The proposal expands the purposes of the 2018 Budget Act appropriation for mutual aid so that it can be used more expansively to pre-position firefighters and equipment, working with local responders, to interdict fires early to prevent more severe damages.

IOU Executive Compensation: The proposal will prohibit any expenditure of utility ratepayer funds to pay for IOU executive compensation or perks.

Jobs and Worker Protections: The proposal will include job protections for public firefighters and protect IOU workers in the event of an IOU insolvency.

Significant Investment for Forestry, Fire, and Carbon Reduction Activities: The proposal will extend current one-time budget year funding from the Greenhouse Gas Reduction Fund (GGRF) over multiple years to ensure consistent and sustained investment in forest management, health forests, and the Administration's forest carbon reduction plan.

Blue Ribbon Commission: The proposal establishes a Blue Ribbon Commission to examine and make recommendations to the Legislature and the Governor more effective ways to socialize the costs of damages from wildfires and if a state level fund should be established to assist in the payments of costs. The Commission would report back in 2019 with its recommendations.

The Committee was clear that proposals had been vetted with the Governor's Office and the Conference Committee package will be introduced in bill form early next week. HBE will of course pass it along as soon as it is available. In the meantime, the Los Angeles Times has [interviews](#) with Assembly Members Jim Wood and Brian Dahle on the so-called "Dahle-Wood" (say it fast) plan to address tree removal and vegetation management, as well as a [report](#) on the bond proposal included in the conference report.

Hot Bill Update

The Legislature has until midnight on August 31 to conclude the houses' remaining business for the 2017-18 legislative session. Several dozen bills were amended in each house this morning before the August 24 deadline for amending bills; policy committees will be meeting next week to consider these measures. Please note that policy committees can amend bills after today's deadline. However, because of the 72-hour in-print rule, we do not anticipate any amendments will occur after Tuesday, August 28. We will continue to update you on what we've identified as "hot bills."

SB 10 (Hertzberg) – Bail Reform

As we speculated last week, Senator Hertzberg moved quickly to advance his considerably revised approach to bail reform. [SB 10](#), as amended on August 20, passed the Assembly and Senate on Monday and Tuesday of this week, respectively, despite strong opposition from the bail industry and a number of progressive reform groups. The measure is headed to the Governor, who reportedly is positively inclined to sign the bill.

The revised approach fundamentally shifts pretrial release decisions from being made based on a person's ability to post bail to one founded in the assessment of an arrestee's risk (to flee or to

reoffend). As redrafted, the bill appears to completely eliminate the current money bail system. Implementation of the new system would begin October 1, 2019.

The measure makes explicit that new pretrial assessment services must be performed by public employees. It gives local courts the authority to have court employees carry out the new duties or to contract with a qualified local agency, which by way of definition would be county probation. Courts would have the option – if the qualified local agency chooses not to contract to provide the pretrial assessment services – to contract with a new public agency that could be established expressly for taking on the newly defined duties.

As for funding the overhaul of the bail system, identical budget clean-up bills AB 1828/SB 862 now pending before the Legislature would authorize, contingent upon the enactment of a bail reform bill, expenditure of up to \$15 million to cover the costs of start-up activities in 2018-19. Additionally, the identical budget clean-up bills also estimate that annual costs for the new system may reach \$200 million. Under the provisions of SB 10, the Department of Finance – in consultation with the Judicial Council and the Chief Probation Officers of California – would be required, as part of the annual state budget preparation process, to estimate two elements of costs associated with implementation of SB 10. An estimate of the costs of pretrial assessment services would be based on several factors set forth in the measure; funds would be directed from the Judicial Council to the courts and passed through to the local public agency responsible for carrying out the new functions. Secondly, probation departments that also contract with a local court for pretrial assessment services would receive a direct allocation to provide new pretrial supervision responsibilities.

In related news, Senator Hertzberg's [SB 1054](#) was gutted and amended this week to make two corrective changes to SB 10. These amendments (1) clarify that no person subject to sex offender registrant requirements is eligible for pretrial release and (2) preserve until January 1, 2023 a long-standing contractual arrangement between the City and County of San Francisco and a non-profit currently providing pretrial services.

HBE has prepared a summary of the provisions of SB 10; please feel free to [email](#) us to request a copy of that summary.

SB 215 (Beall) – Mental Health Diversion

[SB 215](#), by Senator Jim Beall, was amended this week to address certain concerns raised regarding the mental health diversion program enacted earlier this summer in AB 1810, the 2018-19 health trailer bill. As amended August 23, SB 215 makes expressly ineligible for participation in the mental health diversion program offenders charged with specified types of serious and violent crimes. Further, SB 215 authorizes the court to require a defendant to make a prima facie showing that the individual is eligible and suitable for the diversion.

AB 626 (E. Garcia) – Microenterprise Home Kitchens

[AB 626](#), by Assembly Member Eduardo Garcia, would permit “microenterprise home kitchens” in the California Retail Food Code and allow the direct sale of potentially hazardous foods to consumers in private homes. Supporters of the bill include Airbnb, as well as home cooks. In opposition to AB 626 are CSAC, the Rural County Representatives of California, the Urban Counties of California, several individual counties, as well as the respective statewide associations of county health executives and county health officers. The bill was amended on August 21 and is on the Senate Floor.

AB 1971 (Santiago) – Expansion of Gravely Disabled Definition

[AB 1971](#), by Assembly Member Miguel Santiago, sponsored by the County of Los Angeles, seeks to expand the existing definition of “gravely disabled” to include a person’s inability to provide for his or her personal needs for “medical treatment,” if the failure to receive medical treatment results in a deteriorating physical condition or death. As recently amended, AB 1971, among other things, narrows the measure to a five-year pilot in Los Angeles County only. The sponsors and author announced this week that AB 1971 will not be moving forward this year.

SB 212 (Jackson) – Pharmaceutical and Sharps Waste Stewardship Program

[SB 212](#), by Senator Hannah Beth Jackson, as gutted and amended in late June, would require manufacturers of covered drugs or sharps, as specified, to establish a pharmaceutical and sharps waste stewardship program. SB 212 was amended substantially today, with changes in print early next week. CSAC indicates they continue to support the bill with the latest set of amendments, which grandfather in local programs in existence prior to April 18, 2018.

SB 822 (Wiener) – Net Neutrality

Before the July break, Senator Scott Weiner, Assembly Member Miguel Santiago, Senator Kevin de León, and Assembly Member Rob Bonta [announced](#) an agreement on Senator Wiener’s [SB 822](#). This announcement followed what was viewed as hostile amendments dropped into SB 822 in late June by the Assembly Communications and Conveyance Committee chaired by Assembly Member Santiago. SB 822 was heard on Wednesday in the Assembly Communications and Conveyance Committee. The measure was amended on August 20 and again on August 23. It now awaits action on the Assembly Floor.

SB 828 (Wiener) – RHNA Reform

[SB 828](#), by Senator Scott Wiener, seeks to reform the Regional Housing Needs Assessment process. As reported previously, the measure was significantly scaled back in the Assembly Local Government Committee in early July before the Legislative break. All provisions in Sections 1 through 3 of the bill were stricken; these amendments appear to address local government concerns. SB 828 is one of the measures amended this morning on the Assembly Floor. The amendments come at the request of the Department of Housing and Community Development and provide clarifying and technical changes, including clarifying that a final determination made after the date of enactment shall not be revised. The amendments will not be in print until after *This Week’s* publication. More to come.

SB 1045 (Wiener) – Conservatorships

[SB 1045](#), by Senator Scott Wiener, would create a new category of conservatorship for persons who are chronically homeless and incapable of caring for their own health and well-being due to acute and severe mental illness or a severe substance abuse disorder, as evidenced by specified circumstances. As amended in May, the bill authorizes two specific jurisdictions – the County of Los Angeles as well as the City and County of San Francisco – to opt-in to make use of the provisions in SB 1045. The amendments adopted in the Assembly Appropriations Committee do all of the following: (1) add San Diego County as pilot county, (2) add labor unions to the stakeholder planning group, and (3) add services reflecting special needs of lesbian, gay, bisexual, and transgender (LGBT) individuals. SB 1045 is on the Assembly Third Reading File.

SB 1121 (Dodd) – Consumer Privacy Clean-up

[SB 1121](#), by Senator Bill Dodd, has been identified as the clean-up vehicle to AB 375 (Chau), a measure negotiated and enacted in the closing weeks of June as an alternative to a more expansive privacy rights measure that was close to qualifying for the November ballot. Senator Dodd's office, along with the offices of Assembly Member Chau and Senator Hertzberg, are working with stakeholders on technical clean-up language; additional amendments will be forthcoming. Assembly Member Chau detailed a list of amendments on the floor of the Assembly today, including clarifying and technical language. The bill is being re-referred to the Assembly Privacy and Consumer Protection Committee for a hearing next week.

SB 1303 (Pan) – Office of the Medical Examiner

Amendments to [SB 1303](#), by Senator (and physician) Richard Pan, finally appeared in print this week. As now drafted, the bill would – beginning July 1, 2020 – permit general law counties with a population of more than 500,000 that operate a coroner's office or a consolidated sheriff-coroner office to maintain that office rather than outright abolish it, as was contemplated in a previous version of the bill. However, if affected counties choose not to replace the coroner's office with an independent office of the medical examiner, they must instead adopt a policy to refer death investigations to a county with a medical examiner where a potential conflict of interest exists. The measure sets forth cases in which referrals to another county would be required; they include, but are not limited to, law enforcement officer related deaths and deaths of family members of law enforcement officers, as well as deaths of relatives of the employees in the coroner's/sheriff-coroner's office. SB 1303 awaits action on the Assembly floor.

Assembly Democrats' Health Care Package Shrinks

Most of the measures that resulted from the Select Committee on Health Care Delivery Systems and Universal Coverage's hearings that occurred over the fall of 2017 and winter 2018 are not moving forward. Ten of the 14 measures unveiled by the Speaker in February are dead, with several held on the Appropriations Suspense files last week.

However, recall that the state budget addressed a small portion of the Assembly Democrats' proposals, including: (1) creating the Health Care Cost Transparency Database; (2) creating the Council on Health Care Delivery Systems, which is charged with producing a plan by October 1, 2021 to implement health care delivery system changes, including steps necessary to achieve a unified financing system; and (3) directing Covered California to develop options for the Legislature by February 1, 2019 for providing financial assistance to help low- and middle-income Californians purchase/afford health care coverage.

The following measures are still active:

- [AB 2472](#) (Wood): Requires the newly created Council on Health Care Delivery Systems to determine the feasibility of a public health insurance plan option to increase competition and choice for health care consumers. The feasibility report would be due to the Legislature and Governor on or before October 1, 2021. In Assembly for concurrence in Senate amendments.
- [AB 2499](#) (Arambula): Deletes requirements in existing law that health insurance medical loss ratios (MLR) be implemented to the extent required by, in compliance with and not to exceed federal law, and instead, requires MLRs to be implemented as described in federal law and any rules or regulations issued as in effect on January 1, 2017. This measure has passed the Legislature and is in enrollment.

- [AB 2275](#) (Arambula): Establishes numerous quality assessment and performance improvement requirements for Medi-Cal managed care plans. In Assembly for concurrence in Senate amendments.
- [AB 2427](#) (Wood): Requires DHCS to decline to renew or award a contract of a for-profit Medi-Cal Managed Care (MCMC) plan, if a determination is made that the for-profit MCMC engaged or engages in anticompetitive conduct, as defined, or has a pattern or practice of not complying with the medical loss ratio (MLR), as specified. In Assembly for concurrence in Senate amendments.

The list of measures held on the suspense file last week include:

- AB 2965 (Arambula): Expands Medi-Cal coverage to all income-eligible adults ages 19-26 regardless of immigration status.
- AB 2565 (Chiu): Covered California Affordability
- AB 2430 (Arambula): Increase Medi-Cal eligibility for seniors/disabled individuals whose incomes is between 123 and 138 percent of the federal poverty level
- AB 2579 (Burke): Streamline eligibility between the Medi-Cal program and the Women, Infants and Children (WIC) program
- AB 2597 (Arambula): Provides funding for the Program in Medical Education at the University of California

Upcoming Hearings

As noted above, many policy committees will be convening next week to consider the dozens of measures that have been amended in the last 24 hours. Most of these hearings are not yet officially noticed, but, for now, we are able to confirm that the following hearings will take place.

Date	Committee	Topic
Monday, August 27	Assembly Budget Committee	<i>Informational hearing - 2018 Budget Bills</i>
Tuesday, August 28	Assembly Budget Committee	<i>Informational hearing - 2018 Budget Bills</i>

Please feel free to contact any one of us at Hurst Brooks Espinosa with questions ...

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A note to our readers...

During the Legislature's recess, HBE will be publishing *This Week* on an as-needed basis. Look for our next publication no later than Friday, October 5, when we will report on the Governor's final signing and veto actions.

This Week in Sacramento

INFORMATION & INSIGHTS FROM HURST BROOKS ESPINOSA ■ WEEK OF AUGUST 27, 2018

END-OF-SESSION EDITION

Legislature Signs Off for Remainder of Year

The curtains closed on the 2017-18 legislative session after midnight on September 1. Over the next 30 days – up until September 30 – the Governor and his staff will be evaluating the hundreds of measures that passed both houses in the closing weeks of session and making signing and veto decisions. Below we provide you with an update on the end-of-session legislative actions of interest.

Wildfire Preparedness and Response – SB 901 (Dodd)

The Wildfire Conference Committee finalized a conference report on Tuesday evening of this week, after a tumultuous few days of debate over the contents. Facing the immutable 72-hour amendment deadline, the 7-1 vote was preceded by a heated debate among conferees and mixed comments from the public. Here's quick summary of the package, included in [SB 901](#):

Forest and Fuel Reduction. SB 901 creates two new exemptions in the Forest Practices Act for fuel reduction and small landowners to help reduce forest overcrowding and improves accounting of greenhouse gas emission/reduction from forest management. SB 901 also includes CEQA exemptions for certain projects that have been reviewed under the National Environmental Policy Act (NEPA).

Greenhouse Gas Reduction Funds. SB 901 allocates \$200 million per year for five years for continuous appropriation to CalFIRE for programs and projects that improve forest health and fire prevention.

Electric Utilities and Wildfire Prevention. SB 901 includes several measures to help reduce the risk of wildfires and increase mitigation efforts related to electric utility operations – both publicly owned (POUs) and investor-owned (IOUs), with additional requirements as part of the electric utility's annual wildfire mitigation plans, including protocols for disabling reclosers and deenergizing portions of the electrical distribution system, plans for vegetation management and inspections, and others. Wildfire mitigation plans of electric IOUs are required to be approved within three months of its submission, unless the CPUC makes a written determination justifying the need to extend the deadline. The CPUC

Worth Noting: Former Director of Finance Named to Post at CalPERS

Michael Cohen – who until last week served as the Director of the Department of Finance – has been named as Chief Financial Officer at CalPERS. The announcement of his hiring can be read [here](#). He will begin his new position on October 1.

Governor Brown recently appointed Mr. Cohen to the UC Board of Regents.

is required to enter into a memorandum of understanding with CalFire to address several wildfire-related issues, including the development of consistent approaches and data-sharing related to fire prevention, safety, vegetation management, and energy distribution systems. SB 901 also increases the amount of a penalty that the CPUC can assess for violations of CPUC orders, laws, and decisions from up to \$50,000 to up to \$100,000.

Electric Utilities and Wildfire-related Cost Recovery. For fires after January 2019, SB 901 would require utilities to have their share of fault determined by the CPUC using a number of factors, including the influence of climate. The CPUC may allow utilities to recover costs from ratepayers if its action in managing its systems were considered reasonable, but it is not required to do so. For the 2017 fires, the CPUC must consider the electric utility's financial status and determine the maximum amount the corporation can pay without harming ratepayers, also called a financial "stress test", and requires the CPUC to limit the disallowance from the 2017 wildfires to the threshold determined by the stress test. (Note that fires occurring in 2018 are not addressed in these provisions.)

Rate Recovery Bonds. SB 901 authorizes the use of recovery bonds to reduce the impact to ratepayers for costs associated with the 2017 fires. Rate recovery bonds are asset-backed securities that are paid back through a dedicated revenue stream; in this case, a fee charged to utility customers.

Blue Ribbon Commission. SB 901 creates a commission in the Governor's Office of Planning and Research to consider methods of socializing the costs from wildfires.

Mutual Aid. SB 901 provides \$25 million to fund the pre-positioning of local firefighting resources ahead of climate-driven events to keep wildfires smaller.

The bill was not eligible for hearing until after 9 p.m. on August 31; it passed out of both houses with relative ease and is headed to the Governor.

Bail Reform – SB 10 and SB 1054 (Hertzberg)

The Governor signed SB 10 – the measure that effectively does away with monetary bail – into law this week. As reported previously, the revised approach fundamentally shifts pretrial release decisions from being made based on a person's ability to post bail to one founded in the assessment of an arrestee's risk (to flee or to reoffend). Implementation of the risk-based system will begin October 1, 2019.

In keeping with the bail industry's promise to thwart implementation of SB 10, attorneys on behalf of the industry, crime victims groups, and other stakeholders filed a [referendum](#) on Wednesday – the day following the Governor's signature on the bill. This action starts a 90-day clock during which the referendum proponents must collect upwards of 365,000 signatures to secure a spot on the November 2020 ballot. If successful in gathering the requisite signatures, the implementation of SB 10 will be put on hold until the matter can go before the people in two years. Speculation is fairly widespread that bail reform opponents may, on a separate track, file litigation challenging, at a minimum, the constitutionality of the recently enacted legislation. HBE will keep you apprised on related developments.

A companion measure – [SB 1054](#), also by Senator Hertzberg – would make two specific technical or corrective changes to SB 10: (1) clarify that no person subject to sex offender registrant

requirements is eligible for pretrial release and (2) preserve until January 1, 2023 a long-standing contractual arrangement between the City and County of San Francisco and a non-profit currently providing pretrial services. This measure passed both houses of the Legislature this week and now awaits the Governor's action.

HBE has prepared a summary of the provisions of SB 10; please feel free to [email](#) us to request a copy of that summary.

Mental Health Diversion – SB 215 (Beall)

[SB 215](#), by Senator Jim Beall, was amended to address certain concerns raised regarding the mental health diversion program enacted earlier this summer in AB 1810, the 2018-19 health trailer bill. SB 215 would make exclude from participation in the mental health diversion program offenders charged with specified types of serious and violent crimes. Further, SB 215 would authorize the court to require a defendant to make a prima facie showing that the individual is eligible and suitable for the diversion. The measure awaits the Governor's action.

Community Paramedicine and Triage to Alternate Destination – AB 3115 (Gipson)

AB 3115 by Assembly Member Gipson, which was gutted and amended on August 24 and amended again on August 28, would enact a statutory structure for community paramedicine and triage to alternate destination. Additionally, the measure makes a number of changes to the local Emergency Medical Services (EMS) structures, adds additional members to the state EMS Commission, creates a preference for public EMS providers over private providers in state law, among other things. The measure is similar to SB 944 (Hertzberg), which was held in Assembly Appropriations Committee Suspense File. AB 3115 is sponsored by the California Professional Firefighters and had support from the California American College of Emergency Physicians, the Steinberg Institute, and several individual fire agencies. The bill had significant opposition, including the Association of California Healthcare Districts, the California Ambulance Association, the California Association for Health Services at Home, the California Hospice and Palliative Care Association, the California Hospital Association, the California Nurses Association/National Nurses United, the California State Association of Counties (CSAC), the Emergency Medical Directors Association of California, and the Emergency Medical Services Administrators Association of California, Tenet Healthcare, and some individual counties. AB 3115 passed off the floor of both houses on August 31 and will be sent to the Governor for his consideration.

Microenterprise Home Kitchens – AB 626 (E. Garcia)

[AB 626](#), by Assembly Member Eduardo Garcia, would permit “microenterprise home kitchens” in the California Retail Food Code and allow the direct sale of potentially hazardous foods to consumers in private homes. Supporters of the bill include Airbnb, as well as home cooks. In opposition to AB 626 are CSAC, the Rural County Representatives of California, the Urban Counties of California, several individual counties, as well as the respective statewide associations of county health executives and county health officers. The bill awaits the Governor's action.

Expansion of Gravely Disabled Definition – AB 1971 (Santiago)

[AB 1971](#), by Assembly Member Miguel Santiago, sponsored by the County of Los Angeles, sought to expand the existing definition of “gravely disabled” to include a person's inability to provide for his or her personal needs for “medical treatment,” if the failure to receive medical treatment results in a deteriorating physical condition or death. After the sponsors and author announced that AB 1971

would not be moving forward this year, the measure was moved to the Senate inactive file where it remained when session closed.

Conservatorships – SB 1045 (Wiener)

[SB 1045](#), by Senator Scott Wiener, would create a new category of conservatorship for persons who are chronically homeless and incapable of caring for their own health and well-being due to acute and severe mental illness or a severe substance abuse disorder, as evidenced by specified circumstances. The bill authorizes would authorize three jurisdictions – the Counties of Los Angeles and San Diego, as well as the City and County of San Francisco – to opt-in to make use of the provisions in SB 1045. Recent amendments also would expand the stakeholder planning group to include labor unions and add services reflecting special needs of lesbian, gay, bisexual, and transgender individuals. SB 1045 is on its way to the Governor.

Pharmaceutical and Sharps Waste Stewardship Program – SB 212 (Jackson)

[SB 212](#), by Senator Hannah Beth Jackson, as amended August 27, would require manufacturers of covered drugs or sharps, as specified, to establish a pharmaceutical and sharps waste stewardship program. SB 212 grandfathers in local programs in existence prior to April 18, 2018. The major changes include clarifying who ultimately pays for this extended producer responsibility (EPR) program. SB 212 still requires manufacturers to pay for the program; however, in the event the manufacturer is unwilling to participate (especially if it is located outside of California), then the responsibility to pay for the program will shift to the distributor, wholesaler, and ultimately to the importer of the sharp or covered drug. Another recent change includes allowing for a separate management system for home-generated sharps. SB 212 now requires these sharps to be handled via a mail-back system, at no cost to the consumer; this provision recognizes the difference in the use and collection of used drugs versus used sharps. SB 212 is headed to the Governor's desk.

Drinking Water Tax – SB 844 and SB 845 (Monning)

[SB 844](#) and [SB 845](#), by Senator Bill Monning, were introduced after a mandatory tax on water bills failed to be adopted as part of the 2018-19 state budget. The bills would have applied a voluntary levy on ratepayers of less than \$1 per month and would also have established a required tax on dairies and fertilizer manufacturers. SB 844 and 845 gave customers the ability to opt-out of the fee on their water bills. The bills were expected to generate as much as \$100 million per year. In announcing that the bills would not move forward this year, Speaker Rendon said that Assembly Members Eduardo Garcia and Heath Flora would be leading the Assembly's future safe water efforts. State agencies report that one million Californians do not have access to safe drinking water. For a closer at the political issues associated with the water tax, see this *Sacramento Bee* [article](#).

Water Conveyance: Cadiz Project – SB 120 (Roth)

In a hearing off the floor the evening of August 31, the Senate Appropriations Committee killed Senator Richard Roth's [SB 120](#) with virtually no discussion. The bill had been the subject of intense lobbying the last week of session. It would have required the State Lands Commission, in consultation with the Department of Fish and Wildlife, to find that the transfer of the water from a groundwater basin underlying the Cadiz Project will not adversely affect the natural or cultural resources, including groundwater resources or habitat, of those federal and state lands in order for the transfer to be allowed. Supporters of the measure included Governor Brown (he sent a letter on a substantially similar measure in 2017), Senator Dianne Feinstein, and environmental groups.

The Cadiz Project has been considered for approximately 20 years. In 1998, Cadiz Inc. and Metropolitan Water District of Southern California (MWD) began discussion about a project that would have imported Colorado River water to Cadiz and exported groundwater from Cadiz to the MWD service area. Ultimately, MWD decided not to go forward, citing uncertainties about potential environmental impacts. The Cadiz Project has completed its environmental impact review under the California Environmental Quality Act. In 2015, the United States Bureau of Land Management said Cadiz couldn't use the right-of-way because the proposed water infrastructure didn't further a railroad purpose, meaning that the Cadiz Project would need federal approval and be subject to the National Environmental Policy Act. However, the Trump Administration recently reversed the decision and asserted that the Cadiz Project does not need federal approval.

A coalition of labor and business interests opposed the measure including Cadiz Inc., the California Chamber of Commerce, the California Groundwater Coalition, the California Building Industry Association, the California Special Districts Association, Inland Empire Utilities Agency, Southern California Association of Governments, State Building & Construction Trades Council of California, and others.

Net Neutrality – SB 822 (Wiener)

Senator Scott Wiener's net neutrality measure, [SB 822](#), would prohibit internet service providers from taking certain actions that impede consumers' ability to access internet content. After facing a rather rocky road in the Assembly earlier this summer, the measure was moved to the Governor this week with a bipartisan vote.

RHNA Reform – SB 828 (Wiener)

[SB 828](#), by Senator Scott Wiener, seeks to reform the Regional Housing Needs Assessment (RHNA) process. As reported previously, the measure was significantly scaled back in the Assembly Local Government Committee in early July. The Assembly amendments 1) delete the requirement for a city's or county's inventory of land suitable for residential development to meet 125% of its RHNA requirement; 2) delete the requirement for a city or county, if its inventory is not sufficient to meet 125% of its RHNA requirement, to identify zoning and other actions it will take to accommodate the unmet portion; 3) add to the data a council of governments (COG) must provide to the state Department of Housing and Community Development (HCD); 4) authorize, rather than require, HCD, in determining the RHNA, to grant allowances to adjust for specified factors; 5) delete a requirement for the final allocation plan to assign additional weight to jurisdictions that meet specified criteria related to job centers and transit availability; and 6) address a number of chaptering issues with other bills. CSAC removed its opposition after their concerns were addressed with amendments. SB 828 is now on its way to the Governor.

Consumer Privacy Clean-up – SB 1121 (Dodd)

[SB 1121](#), by Senator Bill Dodd, is a clean-up vehicle to AB 375 (Chau), a measure negotiated and enacted in the closing weeks of June as an alternative to a more expansive privacy rights measure that was close to qualifying for the November ballot. SB 1121 has moved to the Governor for his consideration and action.

Office of the Medical Examiner – SB 1303 (Pan)

Amendments to [SB 1303](#), by Senator (and physician) Richard Pan, would – beginning July 1, 2020 – permit general law counties with a population of more than 500,000 that operate a coroner's office or a consolidated sheriff-coroner office to maintain that office rather than outright abolish it, as was

contemplated in a previous version of the bill. However, if affected counties choose not to replace the coroner's office with an independent office of the medical examiner, they must instead adopt a policy to refer death investigations to a county with a medical examiner where a potential conflict of interest exists. The measure sets forth cases in which referrals to another county would be required; they include, but are not limited to, law enforcement officer related deaths and deaths of family members of law enforcement officers, as well as deaths of relatives of the employees in the coroner's/sheriff-coroner's office. Despite ongoing opposition by CSAC, individual counties, and the state sheriffs' association, SB 1303 passed both houses of the Legislature this week and is moving to the Governor.

Last Batch of 2018-19 Budget Bills Sent to Governor

The Legislature approved this week 13 bills that amend or correct certain provisions of the 2018-19 state budget package. A fourteenth bill, [AB 1836](#), would have amended the existing 911 surcharge and make other changes to ensure full funding of the 911 system; it was a two-thirds vote measure that stalled on the Senate floor in the closing hours of session. We provide a brief description of the other budget measures now headed to the Governor below.

Bill No.	Topic	Description
SB 862	Budget Bill, Jr.	<ul style="list-style-type: none"> ▪ Makes various amendments to the main 2018-19 spending plan ▪ Gives Judicial Council expenditure authority of up to \$15 million in 2018-19 for start-up costs associated with pre-trial services reform (SB 10); estimates annual implementation costs of SB 10 at \$200 million ▪ Appropriates \$10 million to the Office of Emergency Services for grants related to services for victims of human trafficking
SB 846	Employment	<ul style="list-style-type: none"> ▪ Makes various technical changes to provisions enacted in SB 857, the 2018-19 trailer bill regarding IHSS provider orientation
SB 861	Mortgage Settlement	<ul style="list-style-type: none"> ▪ Makes statutory changes related to the National Mortgage Special Deposit Fund established to receive the state's portion of mortgage settlement following the 2008 financial crisis
SB 867	Legislative Counsel: workplace conduct services	<ul style="list-style-type: none"> ▪ In response to recent sexual misconduct cases in the Capitol, establishes a unit within the Legislative Counsel Bureau to provide advice and investigative services to the Legislature related to workplace misconduct ▪ Makes a related appropriation
SB 869	Elections	<ul style="list-style-type: none"> ▪ Appropriates federal funds to the Secretary of State for elections security ▪ Clarifies an election-related amendment to the County of San Diego charter
SB 873	Labor agreements: State engineers and scientists	<ul style="list-style-type: none"> ▪ Provides for the legislative ratification of the memoranda of understanding for two state employee bargaining units – professional engineers and professional scientists
SB 874	Education finance	<ul style="list-style-type: none"> ▪ Makes various technical changes to provisions necessary for implementing education-related aspects of state budget

Bill No.	Topic	Description
SB 875	Public resources	<ul style="list-style-type: none"> ▪ Makes various technical changes to public resources provisions of the 2018-19 state budget
SB 876	Human services	<ul style="list-style-type: none"> ▪ Makes various technical changes and appropriates \$10,000 for specified administrative activities
SB 877	State Government	<ul style="list-style-type: none"> ▪ Authorizes Department of Housing and Community Development (HCD) to charge a project monitoring fee associated with loans from the Housing for a Healthy California Program ▪ Makes various changes to prevailing wage provisions associated with public works projects, including a requirement that employees affected by a work stoppage be paid the prevailing wage rate for any time lost, not to exceed 10 days ▪ Specifies that an entity awarding a public work contract under specified circumstances without a formal bidding process, such as in an emergency, shall also provide notice to the Department of Industrial Relations; also provides for due process procedures for the processing of citations and issuance of penalties for a failure to provide notice ▪ Exempts contracts related to the 2020 United States Census entered into by the Government Operations Agency or the Office of Planning and Research from specified provisions of the Public Contract Code applicable to state agencies ▪ Extends by two years the amount of time local mass transit providers have to repay a specified loan
SB 878	Taxes: credits: qualified motion pictures	<ul style="list-style-type: none"> ▪ Extends the deadline – from July 1, 2019 to January 1, 2022 – for the Legislative Analyst’s Office to prepare reports related to the effectiveness and administration of previously enacted film tax credits ▪ Amends the California Film Commission’s allocation authority for unused credit ▪ Makes a \$5,000 appropriation to the California Film Commission for work necessary to develop rules associated with the programs established under specified film tax credits
SB 879	Public safety	<ul style="list-style-type: none"> ▪ Clarifies as declarative of existing law certain limits on the State Auditor’s authority with respect to records disclosure related to investigations of the Commission on Judicial Performance ▪ Revises from 50 to 48 the number of superior court judgeships previously authorized but not yet funded to reflect allocation of two judgeships to the County of Riverside in the 2018-19 Budget ▪ Makes technical change to procedures for licensing participants in Ventura County firefighter training program ▪ Reappropriates and extends encumbrance deadline for a portion of Peace Officer Training Funds previously allocated in 2015-16

Bill No.	Topic	Description
AB 1840	Education Finance	<ul style="list-style-type: none"> Provides for a number of changes to education programs consistent with the Budget Act of 2018, including: Makes a number of changes associated with fiscally distressed schools, including the Oakland Unified School District and the Inglewood Unified School District. Provides additional fiscal transparency for Local Control Accountability Plans.

SOS Announces Availability of Election Funds for Counties

Secretary of State Alex Padilla released [information](#) to county election officials this week about new state and federal funding availability. Specifically, counties will be eligible for \$134 million for voting system modifications, \$1.5 million in federal funds for costs associated with cyber security risks and associated infrastructure needs related to VoteCal, and \$1.5 million in federal funds for costs associated with polling place accessibility. These county funds will be allocated through state contracts with the counties and be reimbursement based. Boards of Supervisors will need to provide approval of a contract, along with a county resolution. Draft contracts will be sent at the end of September.

BSCC Slated to Take Action on Prop 47 Recidivism Reduction Grants

The Board of State and Community Corrections (BSCC) will [meet](#) next week in San Diego to consider, among other items, two proposed actions associated with the Board's work on Proposition 47 recidivism reduction grants.

Current (Cohort 1) Grantees

Twenty three jurisdictions successfully secured program funding under the first round of recidivism reduction [grants](#) (\$103 million in total funding over a 39-month contract period from June 2017 to August 2020). The BSCC will consider a [proposal](#) to provide current grantees an additional 12 months for implementation, given time consuming start-up activities that delayed delivery of services. No additional funds would be allocated for the extension period, but grant recipients would have until August 2021 (instead of August 2020) to expend their already awarded grant.

Development Process for Second Round (Cohort 2) Grantees

Under a separate [item](#), the BSCC will be asked to take action with respect to developing the process for awarding the second round of recidivism reduction grants. The proposed action would, if approved, make minor edits to the first round Request for Proposals (with public comment period anticipated) to be used for the second round, lengthen the grant cycle to 45 months to build in additional time for implementation, use two years (FYs 2019-20 and 2020-21) of state correctional savings, and limit eligibility in Cohort 2 to new lead public agency applicants.

The Board's meeting, which begins at 10 a.m. on Thursday, September 6, can be livestreamed [here](#).

Please feel free to contact any one of us at Hurst Brooks Espinosa with questions ...

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REPORTS
Communication Only

OPINION

Re: Is Blue Zone a Money Grab? [Village News Letter 7/19/18]

Fallbrook Regional Health District takes issue with the misleading characterization of the organization and its mission in the letter titled "Is Blue Zone a Money Grab?"

To begin, more than \$1 million is invested annually into health services for the communities of Bonsall, De Luz, Fallbrook and Rainbow, serving roughly 75,000 clients and residents. These citizens benefit from high-quality, life-improving and even, life-saving health care services.

We offer these services in three ways: 1) Public-private partnerships; 2) Health program operations; and 3) Co-funding urgent and ambulatory care.

First, the Fallbrook Regional Health District invests about \$900,000 into public-private partnerships providing crucial health services available at no cost. These service providers address top health concerns by offering cancer screenings, senior caregiver support and transportation, women's health services, food pantry resources, walkable communities, healthy lifestyle classes, disabled persons therapy, behavioral health services, and a senior fall prevention program recognized by Supervisor Bill Horn's office.

You can read more about those services here: <http://www.villagenews.com/story/2017/07/03/news/frhd-increases-affordable-public-health-services-grants/50419.html>

In addition to contractual health services, Fallbrook Regional Health District directly operates health programs including the Community Collaborative Health & Wellness Committee, Community Resources Directory, Healthcare Heroes, Woman of Wellness (WOW), Wellness Walks and North County Community Collaborative Health Initiative. All these programs collaborate directly with the public and the success of these efforts depend on a dedicated core of tireless volunteers working to improve our community.

The Fallbrook Regional Health District also co-funds critical care needs, including a new \$200,000 ambulance with the North County Fire Protection District under a five-year lease agreement starting back in 2016. And the district has financed urgent care services over the last three years and during the recent June board meeting, the health district directors approved the extension of the A-Plus Urgent Care Extended Hours contract services for \$10,000 a month until Dec. 31, 2018.

Presently, the district will operate a bricks-and-mortar facility at the recently purchased \$1.8 million future Fallbrook Wellness Center, 1636 E. Mission

Road, an 8,000-square-foot space envisioned to be an interactive indoor-outdoor classroom. The goal is to build healthy families through science-based approaches, including organic gardening and cooking classes. The community is invited to the groundbreaking ceremony on Sept. 5.

Integrated into the Fallbrook Wellness Center, the district ratified an update to its Vision statement at the Feb. 14, 2018, regular board meeting to become a "Blue Zones Project" community by 2022.

By creating a longevity hot spot, we are committed to working with residents and local organizations to pursue measurable improvements in nine variables of healthier living and a higher quality of life. As such, the District authorized \$50,000 as an initial investment. Any further investments would require us to consider all financing options, including outside funding sources, to help maximize our local dollars.

A Blue Zone partnership shows value in lower medical costs for residents and regional economic growth. By partnering with Blue Zones, it is estimated that over the next 10 years, residents of the district would benefit by saving more than \$50 million in total health care claims. Additionally, the greater Fallbrook area is expected to benefit from an additional \$24 million in direct and indirect economic impacts over the next decade.

"Blue Zones" uses a predictive model to best determine the outcome of public health interventions for specific populations. The model was created in partnership with leading scientists of medicine, behavior, psychology, economics, epidemiology and mathematics from the World Economic Forum, Harvard University, Johns Hopkins School of Public Health, and the Boston Consulting Group.

As these are predictive models, we cannot be absolutely assured of its impacts for our community and thus, have the option to end the program should we not see measurable and meaningful results. However, we believe that helping residents live healthier, longer lives is well within our mission and a goal worth investigating.

Our doors are open and we invite residents to attend our board meetings, community events and wellness walks. The next Town Hall discussion on Blue Zones will be at 5 p.m., Aug. 8, at the Fallbrook Utility District, 990 E. Mission Road. Get to know us and our work on our website, www.fallbrookhealth.org.

*Gordon Tinker
President
Fallbrook Regional Health
District.*

Fallbrook Regional HEALTH DISTRICT

Serving Bonsall, De Luz, Fallbrook and Rainbow

Fallbrook Regional Health District Hosting Groundbreaking Ceremony

Public Invited to Health Fair, Backpack Giveaway at Future Fallbrook Wellness Center

FALLBROOK, Calif. (August 17, 2018) ---- Fallbrook Regional Health District invites the public to join in a groundbreaking ceremony to mark the future home of the Fallbrook Wellness Center, 1636 E. Mission Road. The ceremony commences at 4 p.m. on Wednesday, September 5.

The groundbreaking will include members of the District Board of Directors, state and local dignitaries, and District community leaders who will assist in turning the first shovels of dirt, kicking off the remodeling of the facility. Officials will also plant an avocado tree to mark the occasion.

“We’re eager to get our hands dirty and start transforming this facility into the jewel of wellness for people of all ages,” said CEO Bobbi Palmer of the Fallbrook Regional Health District.

Learn more about the groundbreaking at www.fallbrookhealth.org.

Earlier at the site, the public will be treated to a Wellness Fair beginning at 10 a.m., including free health screenings, locally-grown fruits and vegetables, petting zoo, yoga and a backpack give away to the first 50 children in attendance.

The District Board of Directors approved the purchase of the facility earlier in 2018 for \$1.8 million, an investment to serve the community as an indoor-outdoor health educational center. The center will house several organizations, including the Fallbrook Food Pantry and the Foundation for Senior Care, which will be hosting a ribbon cutting and a citrus basket exchange with the District following the groundbreaking ceremony.

“This is a day to celebrate all the great relationships coming together for the betterment of our District,” Palmer said. “We’re so blessed to have such gifted and dedicated professionals and volunteers alike.”

Fallbrook Regional Health District is a special district covering affordable community health needs for residents of Bonsall, De Luz, Fallbrook and Rainbow. The roughly \$1.6 million collected in voter-approved taxes supports more than \$1 million annually in full spectrum community health services addressing top health disparities, including behavioral health, cancer, diabetes, heart disease and stroke, as well as extended hour urgent care.

The September 5 activities schedule includes:

- 10 a.m. to 4 p.m.: Wellness Fair
- 4 p.m.: Groundbreaking Ceremony
- 4:30 p.m.: Ribbon cutting with the Fallbrook Food Pantry
- 5 p.m.: Citrus basket exchange with the Foundation for Senior Care

For more information, contact the Fallbrook Regional Health District at (760) 731-9187 or pknox@fallbrookhealth.org.

###

ABOUT FALLBROOK REGIONAL HEALTH DISTRICT

Fallbrook Regional Health District is a special district covering affordable community health needs for residents of Bonsall, De Luz, Fallbrook and Rainbow. The roughly \$1.6 million collected in voter-approved taxes supports more than \$1 million annually in full spectrum community health services addressing top health disparities, including behavioral health, cancer, diabetes, heart disease and stroke, as well as extended hour urgent care. Learn more about community health services provided by the district at www.fallbrookhealth.org.

Come Celebrate with Us!



Wednesday, September 5, 2018

Join us for a Groundbreaking Event and Enjoy the Following Activities:

- Free Health Screenings
- Health Education
- Free Fruits & Vegetables
- Yoga
- Petting Zoo
- Backpack Giveaway
For the first 50 children that show up
- Snacks & Refreshments

Plus a Ribbon Cutting for a New Truck purchased by Fallbrook Regional Health District for the Fallbrook Food Pantry!



10:00am-6:00pm

at the Wellness Center
1636 E. Mission Road,
Fallbrook



Fallbrook Regional
HEALTH  DISTRICT

For more information, please call (760) 731-9187 or email: projectadmin@fallbrookhealth.org

¡Ven a Celebrar con nosotros!



miércoles, 5 de septiembre del 2018

Acompáñenos para un evento de inauguración y disfrute de las siguientes actividades:

- Exámenes de salud gratis
- Educación de salud
- Frutas y verduras gratis
- Yoga
- Animales de granja
- Mochilas y útiles escolares gratis
- Bocadillos y agua

Para los primeros 50 estudiantes

Presentación del nuevo camión de la Despensa de Fallbrook (Fallbrook Food Pantry)



10:00am-6:00pm
CENTRO DE BIENESTAR
1636 E. Mission Road,
Fallbrook



Fallbrook Regional
HEALTH  DISTRICT

Para más información, llame al (760) 731-9187 ó mande un e-mail a mmanuelos@fallbrookhealth.org

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HEALTH

Fallbrook Regional Health District hosting groundbreaking ceremony

Public invited to health fair, backpack giveaway at future Fallbrook Wellness Center

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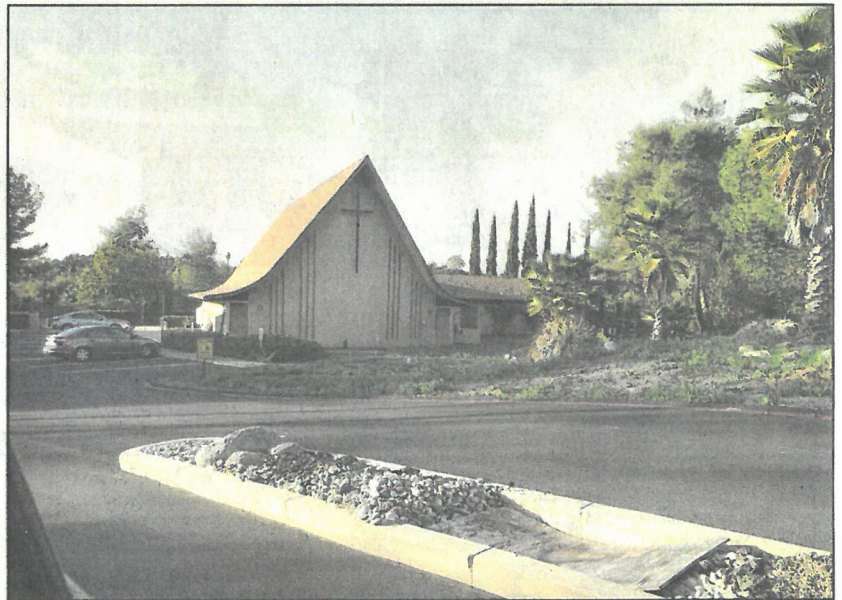
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For more information, contact the Fallbrook Regional Health District at (760) 731-9187 or pknox@fallbrookhealth.org.

Press release submitted by Fallbrook Regional Health District.



Fallbrook Regional Health District is holding a groundbreaking ceremony here at the Fallbrook Wellness Center, 1636 E. Mission Rd., Sep 5.

Lucette Moramarco photo

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Wednesday, September 5, 2018

miércoles, 5 de septiembre del 2018

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Fallbrook Regional
HEALTH  DISTRICT

For more information, please call (760) 731-9187
or email: projectadmin@fallbrookhealth.org

Fallbrook Regional
HEALTH  DISTRICT

Para más información, llame al (760) 731-9187
ó mande un e-mail a mbanuelos@fallbrookhealth.org



Thursday, September 6, 2018

**Fallbrook Library
124 S. Mission Rd.**

6:00 p.m. – Social & Refreshments

6:30 p.m.—7:30 p.m. Presentation/Door Prizes

Sponsored by
Fallbrook Regional
HEALTH  DISTRICT

Featured Presentation:

*“Make the Most of Tomorrow by making
Smart Choices Today”*

*As we age, our needs to live day-to-day often increase, and
they may be costly for you and your family.
Join us to learn about long-term care options now so that
you have care when you need it most.*

Presenter:

*Marc Sigmon, Agent
New York Life Insurance Company
CA Insurance License #0K45485*

Free Event including Refreshments • Door Prizes
Please Note: No need for Reservations at this time
Please plan to attend and bring a friend!

**Questions? Contact Pam Knox at pknox@fallbrookhealth.org
Or call 760-731-9187**

Sigmon to talk at Woman of Wellness program

FALLBROOK – Marc Sigmon, an agent with New York Life Insurance Company, will speak at the Woman of Wellness program, Thursday, Sept. 6. Sigmon's topic is "Make the most of tomorrow by making smart choices today."

As people age, their day-to-day needs often increase and can be costly for both the elder person and their family. The presentation will explain long-term care options that are available now and can help in the future. It is strictly an opportunity to be educated about options.

Fallbrook Regional Health District invites the community to attend Woman of Wellness every first Thursday of the month at the Fallbrook Library community room. Social time begins 6 p.m., and the presentation begins 6:30 p.m. followed by light refreshments and door prizes. Donations of nonperishable food items are collected for the Fallbrook Food Pantry.

*Press release submitted by
Fallbrook Regional Health
District*

JUST FOR PARENTS COFFEE NIGHT 2018



The Just for Parents Coffee Night is about gathering with parents of type 1 kids who understand your fears, questions, and yes even your tears. It is an opportunity to share, help, listen, and learn! We are not a group of professionals, but of concerned parents who have been where you are and found peace with their new way of living.



EL CAJON

3rd Wednesday of every month
Upcoming dates:

Jan 17	July 18
Feb 21	Aug 15
Mar 21	Sept 19
April 18	Oct 17
May 16	Nov 21
June 20	Dec 19

ALPINE

3rd Wednesday of every month
Upcoming dates:

Jan 17	July 18
Feb 21	Aug 15
Mar 21	Sept 19
April 18	Oct 17
May 16	Nov 21
June 20	Dec 19

CHULA VISTA

3rd Thursday of every other month
Upcoming dates:

Jan 18	July 19
March 15	Sept 20
May 17	Nov 15

FALLBROOK OR TEMECULA

Please contact the office
for upcoming dates.

CARLSBAD

3rd Sunday of every other month
Upcoming dates:

Jan 21	July 15
March 18	Sept 16
May 20	Nov 18

POWAY

2nd Thursday of every other month
Upcoming dates:

Feb 8	Aug 9
April 12	Oct 11
June 14	Dec 13

JOIN US!

PLEASE CONTACT

DEANNA KASPER

DKASPER@JDRF.ORG

858.597.0240

Fallbrook Regional
HEALTH  DISTRICT

Free Screening for residents of
Bonsall, De Luz, Fallbrook and Rainbow



FREE PROSTATE CANCER SCREENING

Includes PSA Blood Test and Digital Exam

Saturday, September 29 • 7am-9am

Fallbrook Family Health Center
1328 South Mission Road
Next to Northgate Market



Digital and PSA screening is recommended annually for men over the age of 50 and for men over 40 with a family history of prostate cancer.

CALL 760-731-9187 FOR AN APPOINTMENT



PRUEBA DE CÁNCER DE PRÓSTATA GRATIS

La Prueba Gratis Incluye Examen de Sangre PSA y Examen Digital

sábado, 29 de Septiembre • 7am-9am

Centro de Salud Familiar de Fallbrook
1328 South Mission Road
Serca de la tienda Northgate Market



Examen digital y PSA se recomienda anualmente para los hombres mayores de 50 años de edad y para los hombres mayores de 40 años con antecedentes familiares de cáncer de próstata.

LLAME AL 760-451-4728 PARA UNA CITA

FREE PROSTATE CANCER SCREENING

Includes PSA Blood Test and Digital Exam

Saturday, September 29, 2018

7 a.m. - 9 a.m.

Fallbrook Family Health Center

1328 South Mission Road

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FOR AN APPOINTMENT**

PRUEBA DE CÁNCER DE PRÓSTATA GRATIS

La Prueba Gratis Incluye Examen
de Sangre PSA y Examen Digital

**Sábado, 29 de septiembre
7 a.m. - 9 a.m.**

**Centro de Salud Familiar de Fallbrook
1328 South Mission Road
*A un lado de Northgate Market***



**El examen digital y PSA se recomienda anualmente para los
hombres mayores de 50 años de edad y para los hombres mayores
de 40 años con historial de cáncer de próstata en la familia.**

**LLAME AL 760-451-4720
PARA UNA CITA**