



County Personnel Administrators Association of California

**"TIMES REALLY ARE CHANGING AND
YESTERDAY'S SOLUTIONS WILL NOT
MEET TOMORROW'S CHALLENGES"**

It's Not **GROUNDHOG DAY** Again!

Spring 2017 Conference

March 22-24, 2017 • Wine & Roses Conference Center • Lodi, CA

CPAAC Board

Lisa M. Garrett,
President

Marc A. Fox
Vice President

Michael J. McDougall
Treasurer

Pamela Knorr
Secretary

Michael Stock
Past President

AGENDA

Wednesday, March 22, 2017

7:00 a.m.

Continental Breakfast

8:00 a.m.

Mini Master's Class by USC, Sol Price School of Public Policy

Meta-4: An interactive course for HR leaders on human responses to organizational change, with lessons on strategic planning from a training perspective.

This mini master's course is customized for CPAAC associates and will involve practical applications of leadership in organizations experiencing change due to retirements and aging workforces. The course will involve a simulation on human responses to change and the impact of culture in identifying emotional responses that shape outcomes. Finally, the course will engage participants in a conversation about succession planning--the HR leader's response to organizational change--providing tips and tools for training and coaching other County managers and professionals in your organization.

Session includes lunch – Sponsored by CPAAC

1:00 p.m.

Officer's Meeting

2:00 p.m.

General Session - Call to Order and Welcome

Lisa M. Garrett, President, CPAAC

Approval of Agenda

Review of Fall 2016 Meeting Minutes and Treasurer's Report

Nominating Committee Actions

Officer Reports

| | |
|----------------|--|
| President | Lisa M. Garrett, County of Los Angeles |
| Vice President | Marc A. Fox, County of Solano |
| Treasurer | Michael J. McDougall, County of Santa Cruz |
| Secretary | Pamela Knorr, County of Butte |
| Past President | Michael Stock, County of Riverside |

Introductions

Recognition of New Members

Acknowledgements

Past and Retiring Officers

CPAAC Committee Reports

Regional Connection Break-Out Sessions

Operational Issues – Best Practices: Group Discussion

Note: Bring your hot topics and poll the group!

Planned Topics

- Succession Planning and Loss of Institutional Knowledge
- Best Practices for Recruiting IT and Hard-to-Fill Positions
- Immigration
- Group's Choice

Regions:

- **Bay Area:** San Mateo, Santa Cruz, Santa Clara, Alameda, Contra Costa, Solano, Napa, Sonoma, Marin, San Francisco, Monterey
- **North Counties:** Lake, Colusa, Butte, Plumas, Lassen, Tehama, Mendocino, Glenn, Shasta, Trinity, Humboldt, Del Norte, Siskiyou, Modoc, Sierra
- **Central Area:** Sacramento, San Joaquin, Stanislaus, Calaveras, Amador, El Dorado, Placer, Nevada, Sutter, Yuba, yolo, Alpine
- **South Central:** San Benito, Merced, Mariposa, Tuolumne, Madera, Kings, Fresno, Tulare, Kern
- **South:** San Bernardino, Riverside, San Diego, Imperial, Mono, Inyo, San Luis Obispo, Santa Barbara, Ventura, Los Angeles, Orange

3:00 p.m.

5 Generations in the Workplace – The Great Divide

Mary Egan, Partner

MRG - Human Resources Services

4:30 p.m.

Round Table

4:55 p.m.

Parking Lot & Action Item Recap

5:00 p.m.

Adjourn

5:15 p.m.

Optional Wine Tasting & Appetizers

South Garden Ballroom Patio

Hosted by Liebert Cassidy Whitmore

6:00 p.m.

No Host Dinner

(Sign-up sheets are available with restaurant selections)

AGENDA

Thursday, March 23, 2017

- 7:00 a.m.** **Breakfast**
- 8:00 a.m.** **Approval of Fall 2016 Meeting Minutes and Treasurer's Report and Roundtable**
- 9:00 a.m.** **Cal-ICMA Talent Initiative – Creating Strategies to Address Tomorrow's Talent Issues Today**
Nancy Hetrick, Partner
Management Partners & Member, CAL-ICMA
Donna Vaillancourt, Director of HR
County of San Mateo & Member, Cal-ICMA Talent
- 12:00 p.m.** **Lunch**
- 1:00 pm.** **Round Table**
- 2:15 p.m.** **Deferred Compensation Plan Compliance**
Rasch Cousineau, Senior Consultant, Hyas Group, LLC.
- 3:15 p.m.** **Break**
- 3:30 p.m.** **Labor and Employment Law Update**
Gage C. Dungy, Partner
Liebert Cassidy Whitmore
- 5:00 p.m.** **Adjourn**
- 6:30 p.m.** **Host Dinner**
The Wine & Roses Pavilion
Sponsored by Renne Sloan Holtzman Sakai

AGENDA

Friday, March 24, 2017

- 7:00 a.m.** **Breakfast**
- 8:30 a.m.** **CSAC Legislative Update**
Tracy Sullivan, Legislative Analyst
Dorothy Johnson Holzem, Legislative Representative
CSAC Government Affairs
- 9:45 a.m.** **Break**
- 10:00 a.m.** **Round Table**
- 10:45 a.m.** **Hiring Former Convicts and Reducing Recidivism**
Cathy Mount, HR Director, Alameda County
Lisa M. Garrett, HR Director, Los Angeles County
- 11:30 a.m.** **Adjourn**
- 12:15 p.m.** **Officers Luncheon**

CPAAC Conference Meeting Minutes: Fall 2016

Location: Wine & Roses; 2505 W. Turner Road; Lodi, CA.

Attendees: Amador, Butte, Calveras, Contra Costa, El Dorado, Lake, Los Angeles, Marin, Monterey, Napa, Nevada, Placer, San Bernardino, Riverside, San Joaquin, San Luis Obispo, San Mateo, Santa Barbara, Santa Clara, Santa Cruz, Shasta, Solano, Sonoma, Stanislaus, Suter, Tulare, Tuolumne, Ventura, Yolo and Yuba. **A quorum of the membership was present** (Article IV, Qualifications and Rights of Membership, section H, Quorum). Retirees present were Georgia Cochran, Bill May, Don Turko and Martha Wilson.

Wednesday, September 28, 2016

2:11 p.m. Call to Order and Welcoming Comments

President Michael Stock (Riverside) welcomed all participants to the Fall 2016 conference. He also indicated that CPAAC sponsored “When Bad Things Happen; Managing the Media in Crises” training from the CSAC Institute was held earlier today and that additional handouts are available. A history of CPAAC and the “bow tie award” was distributed by Bill May.

Moved by Marc Fox (Solano) and **second** by Tami Douglas-Schatz (San Luis Obispo) **to approve the agenda**. The motion passed unanimously.

Review of Spring 2016 Meeting Minutes and Treasurer’s Report

Secretary Marc Fox (Solano) noted that the reference to “Article V, Qualifications and Rights of Membership, section H, Quorum” in the “Attendees” portion of the minutes should be corrected to read as “Article IV...” The minutes will be considered for approval tomorrow.

Treasurer Michael McDougall (Santa Cruz) noted that the Treasurer’s Report of March 11, 2016 to August 31, 2016 is included in participants’ binders and that the Treasurer’s Report will be considered for approval tomorrow.

Nominating Committee Actions

Tami Douglas-Schatz (San Luis Obispo) was tasked by President Michael Stock (Riverside) to chair the officers’ nominating process. Nomination for Secretary is Pamela Knorr (El Dorado). **Moved** by Tami Douglas-Schatz (San Luis Obispo) and **second** by Lori Walsh (Placer) **to elect Pamela Knorr as Secretary**. The motion passed unanimously.

Nomination for the remaining officers is that Marc Fox (Solano) moves from Secretary to Vice President, Michael McDougall (Santa Cruz) remains as Treasurer, Lisa Garrett (Los Angeles) moves from Vice President to President, and Michael Stock (Riverside) moves from President to Past President. **Moved** by Tami Douglas-Schatz (San Luis Obispo) and **second** by Bring Ring (Butte) **to elect Michael Stock as**

Past President, Lisa Garrett as President, Marc Fox as Vice President, and Michael McDougall as Treasurer. The motion passed unanimously.

Officer Reports

Secretary Fox (Solano) distributed a roster, asking each participant to validate the accuracy of the roster.

2:15 p.m. Recognition of New Members

President Stock welcomed new members and asked that they identify themselves so the whole group could welcome each person.

CPAAC Committee Reports

There were no reports.

Regional Connection Break-Out Sessions and Roundtable

President Stock asked that the regions discuss pensions/pension reform and whether the CPAAC website should accept recruitment advertisements. Participants met based on their regions to discuss matters of regional interest. The regions are:

- **North Counties** – Butte, Colusa, Del Norte, Glenn, Humboldt, Lake, Lassen, Mendocino, Modoc, Plumas, Shasta, Sierra, Siskiyou, Tehama, Trinity
- **Central Area** – Alpine, Amador, Calaveras, El Dorado, Nevada, Placer, Sacramento, San Joaquin, Stanislaus, Sutter, Yuba, Yolo
- **Bay Area** – Alameda, Contra Costa, Marin, Napa, San Francisco, San Mateo, Santa Clara, Santa Cruz, Solano, Sonoma, Monterey,
- **South Central** – Fresno, Kern, Kings, Madera, Merced, Mariposa, San Benito, Tulare, Tuolumne
- **South** – Imperial, Inyo, Los Angeles, Mono, Orange, Riverside, San Bernardino, San Diego, San Luis Obispo, Santa Barbara, Ventura

3:00 p.m. Handling Leaves and Managing Risk

Jonathan Fraser Light, Esq. of LightGabler provided information on how to comply with various leave of absence laws and how to minimize legal risk associated with these absences. Mr. Fraser Light also reviewed a number of scenarios and provided guidance for each.

4:30 p.m. Roundtable, Parking Lot and Action Item Recap

Participants provided their approval for the CPAAC website to include postings of Human Resources recruitments, but not others. Participants gave brief updates highlighting key initiatives, challenges, and/or requesting resources. There were no parking lot or other action items.

5:00 p.m. Recess to Thursday, September 29, 2016

Thursday, September 29, 2016

8:30 a.m. Approval of Minutes and Treasurer’s Report; Roundtable

Moved by Kathy Ferguson (Lake) and **second** by Lisa Garrett (Los Angeles) to **approve the spring 2016 meeting minutes**¹. The motion passed unanimously.

Moved by Marc Fox (Solano) and **second** by Donna Vaillancourt (San Mateo) to **approve the Treasurer’s report of March 11, 2016 to August 31, 2016**. The motion passed unanimously.

Participants gave brief updates highlighting key initiatives, challenges, and/or requesting resources.

9:00 a.m. Flores v. City of San Gabriel: What Your Agency Needs to Know

Lisa Charbonneau, Esq., of Liebert Cassidy Whitmore reviewed the Ninth Circuit decision of *Flores v City of San Gabriel*, background on cash in lieu programs, the primary holdings from *Flores* and impacts on employers, the status of the litigation appeal process, and some next steps participants might consider.

Break

10:15 a.m. Roundtable

Participants gave brief updates highlighting key initiatives, challenges, and/or requesting resources.

10:45 a.m. IBM – Analytics and Building Out a Data Program

Victor J. Reyes, Associate Partner, Talent & Engagement provided information to help organizations leverage data and optimize decisions with analytics and build out a data program.

12:00 noon Lunch

12:20 p.m. Legislative Update

CSAC Legislative Representative Faith Conley presented on the activities of the recent legislative session.

1:05 p.m. Trends in Litigation and Litigation Update

Michael Pott, JR, Chief Claims Officer at CSAC-EIA and Carl Fessender, Esq. of Porter Scott present litigation trends in employment law and other subjects and provided notable employment cases from the past year.

¹ Note, the reference to “Article V, Qualifications and Rights of Membership, section H, Quorum” in the “Attendees” portion of the minutes was corrected to read as “Article IV...”

Break

2:30 p.m. Lessons Learned from the Terrorist Attack in San Bernardino County

San Bernardino County representatives shared their insights of terrorist attack response activities on that day and the following months.

5:00 p.m. Recess to Friday, September 30, 2016

Friday, September 30, 2016

8:35 a.m. KPMG Metrics

Ken Miller, KPMG Director of Advisory People & Change provided background, importance of service level requirements, and examples of service levels and dashboards that human resources professionals can develop and use.

9:30 a.m. Roundtable, Parking Lot and Action Items

Participants gave brief updates highlighting key initiatives, challenges, and/or requesting resources. There were no parking lot or other action items.

9:55 a.m. Transgender Issues

Gage Dungy, Esq. of Liebert Cassidy Whitmore provided participants information of transgender issues including definitions, protected classification and legal debate, discrimination and harassment, and some things to remember.

10:40 a.m. Proposition 64 – Marijuana in the Workplace: What Can We Anticipate?

Gage Dungy, Esq. of Liebert Cassidy Whitmore reviewed existing laws related to marijuana in the employment setting and, if adopted by the electorate, what impacts Proposition 64 may have within the employment setting.

11:30 Adjournment

The conference adjourned at 11:30 a.m.

Treasurer's Report



TREASURER'S REPORT SUMMARY August 31, 2016 to February 28, 2017

Summary: August 31, 2016 to February 28, 2017

| | Debits | Credit | Balance |
|---|-----------|-----------|-----------|
| CHASE-Checking Acct. Balance Forward at August 31, 2016 | | | 55,585.25 |
| Net Activity: August 31, 2016 to February 28, 2017 | 29,553.39 | 11,100.00 | |
| Ending Balance on February 28, 2017 | | | 37,131.86 |

| FY 2016-17 Dues Summary: | |
|---|-----------|
| FY 2016-17 Dues Invoiced | 39,400.00 |
| Total FY 2016-17 Dues received as of 02/28/2017 | 34,250.00 |
| Total FY 2015-16 Dues not paid as of 02/28/2017 | 6,550.00 |

| FY 2016-17 Dues Receivable Outstanding as of 2/28/2017 | |
|--|-----------------|
| Inyo | 600 |
| Kern | 750 |
| Lassen | 600 |
| Mariposa | 600 |
| Mono | 600 |
| Orange | 900 |
| Sierra | 600 |
| Tehama | 600 |
| Total Dues Receivable as of 02/28/2017 | 5,250.00 |



**COUNTY PERSONNEL ADMINISTRATORS
Association of California**

**TREASURER'S REPORT SUMMARY
August 31, 2016 to February 28, 2017**

| | <u>Debits</u> | <u>Credits</u> | <u>Balance</u> |
|--|---------------|----------------|------------------|
| Checking Account Balance on August 31, 2016 | | | 55,585.25 |
| Net Activity: August 31, 2016 to February 28, 2017 | (29,553.39) | 11,100.00 | |
| Ending Balance on February 28, 2017 | | Total | 37,131.86 |

Debits Summary:

| | | | |
|----------|--|------------------|--|
| 10/4/16 | CA SECRETARY OF STATE 916-6533775 CA 10/03 | 20.00 | |
| 10/7/16 | Wine & Roses (Fall 2016 Conf. final balance) | 17,377.88 | |
| 10/13/16 | Michael Stock (Reimbursement for Fall CPAAC 2016 Conf.) | 306.56 | |
| 10/14/16 | LightGabler-(CSAC Spring Course Program 2016) | 2,000.00 | |
| 11/17/16 | Gena Thacker (Reimbursement for Fall CPAAC 2016 Conf.) | 108.71 | |
| 12/28/16 | Wine and Roses - CPAAC Spring and Fall 2017 Deposit | 4,400.00 | |
| 1/3/17 | Alliant SLIP policy for CPAAC - Effective: 12/22/2016 to 9/29/2017 | 1,089.24 | |
| 1/24/17 | CSAC Institute (CSAC Fall Course Program 2016) | 4,251.00 | |
| | Subtotal | 29,553.39 | |

Credits Summary:

| | |
|--------------------------|---------------------------|
| FY 2016/17 Dues | 8,300.00 |
| Conference Registrations | 800.00 |
| Sponsorships | 2,000.00 |
| | Subtotal 11,100.00 |

Misc Credit Detail:

Registrations

| | |
|---|------------------------|
| G. Cochran Registration (Fall 2016 CPAAC Conf.) | 200.00 |
| Bill May Registration (Fall 2016 CPAAC Conf.) | 200.00 |
| County of San Mateo Registration (Fall 2016 CPAAC Conf.) | 200.00 |
| County of Santa Cruz Registration (Spring 2017 CPAAC Conf.) | 200.00 |
| | Subtotal 800.00 |

Sponsorships

| | |
|--|--------------------------|
| Liebert Cassidy Whitmore (Sponsorship of Wine Reception Fall'16 Conf.) | 1,000.00 |
| RENNE SLOAN (Sponsorship of Wine Reception Fall'16 Conf.) | 1,000.00 |
| | Subtotal 2,000.00 |



COUNTY PERSONNEL ADMINISTRATORS
Association of California

TREASURER'S REPORT SUMMARY
August 31, 2016 to February 28, 2017

FY 2016-17 Dues Summary:

| County | Dues Paid | Dues Outstanding |
|-----------------|-----------|------------------|
| Alameda | 800.00 | - |
| Alpine | 600.00 | - |
| Amador | 600.00 | - |
| Butte | 800.00 | - |
| Calaveras | 600.00 | - |
| Colusa | 600.00 | - |
| Contra Costa | 750.00 | 50.00 |
| Del Norte | 600.00 | - |
| El Dorado | 650.00 | - |
| Fresno | 750.00 | - |
| Glenn | 600.00 | - |
| Humboldt | 650.00 | - |
| Imperial | 650.00 | - |
| Inyo | | 600.00 |
| Kern | | 750.00 |
| Kings | 650.00 | - |
| Lake | 600.00 | - |
| Lassen | | 600.00 |
| Los Angeles | 900.00 | - |
| Madera | 650.00 | - |
| Marin | 650.00 | - |
| Mariposa | | 600.00 |
| Mendocino | 600.00 | - |
| Merced | 650.00 | - |
| Modoc | 600.00 | - |
| Mono | | 600.00 |
| Monterey | 750.00 | - |
| Napa | 650.00 | - |
| Nevada | 600.00 | - |
| Orange | | 900.00 |
| Placer | 650.00 | - |
| Plumas | 600.00 | - |
| Riverside | 800.00 | - |
| Sacramento | 800.00 | - |
| San Benito | 600.00 | - |
| San Bernardino | 800.00 | - |
| San Diego | 900.00 | - |
| San Francisco | 750.00 | - |
| San Joaquin | 750.00 | - |
| San Luis Obispo | 650.00 | - |





COUNTY PERSONNEL ADMINISTRATORS
Association of California

TREASURER'S REPORT SUMMARY
August 31, 2016 to February 28, 2017

| <i>Continued: Dues Summary</i> | Dues Paid | Dues Outstanding |
|--------------------------------|------------------|------------------|
| San Mateo | 750.00 | - |
| Santa Barbara | 750.00 | - |
| Santa Clara | 800.00 | - |
| Santa Cruz | 650.00 | - |
| Shasta | 650.00 | - |
| Sierra | | 600.00 |
| Siskiyou | 600.00 | - |
| Solano | 750.00 | - |
| Sonoma | 750.00 | - |
| Stanislaus | 750.00 | - |
| Sutter | 600.00 | - |
| Tehama | | 600.00 |
| Trinity | 600.00 | - |
| Tulare | 750.00 | - |
| Tuolumne | 600.00 | - |
| Ventura | 750.00 | - |
| Yolo | 650.00 | - |
| Yuba | 600.00 | - |
| Subtotals | 34,250.00 | 5,300.00 |

Respectfully Submitted,

Michael J. McDougall
CPAAC Treasurer

Meta-4: 3 Thoughts on Organizational Change and Succession Planning

Paul Danczyk, PhD

Director of Executive Education in Sacramento
USC Sol Price School of Public Policy



3 Thoughts on Organizational Change and Succession Planning

Paul Danczyk, PhD and Ashleigh Stayton, MPA
Executive Education in Sacramento
USC Sol Price School of Public Policy

Today, we are tackling:

- Challenge themes
- Types of change
- Succession planning considerations

Stand Where You Stand:

Perceptions on change and
succession planning



Tight budget
 I keep getting grievances filed against me
 I'm not happy
 We have a new system
 The procedures changed
 I was promoted, my peer was not
 I have a new boss every few years
 I was "shelved"
 I have a deadbeat employee
 My budget was cut
 Difficulty adjusting to new position
 The CEO has a different direction
 I can't fill positions
 Not enough staff
 2-more years until retirement
 ...and...and...

3 Challenge Themes

- Resources
- Attitude
- Aptitude

These challenges impact change...How?



Why?



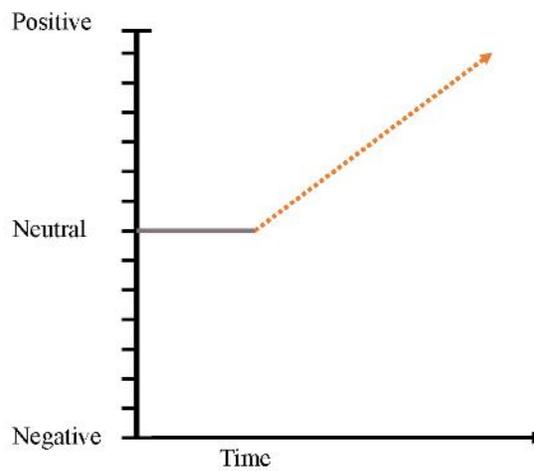
An exercise on change...

Meta-4

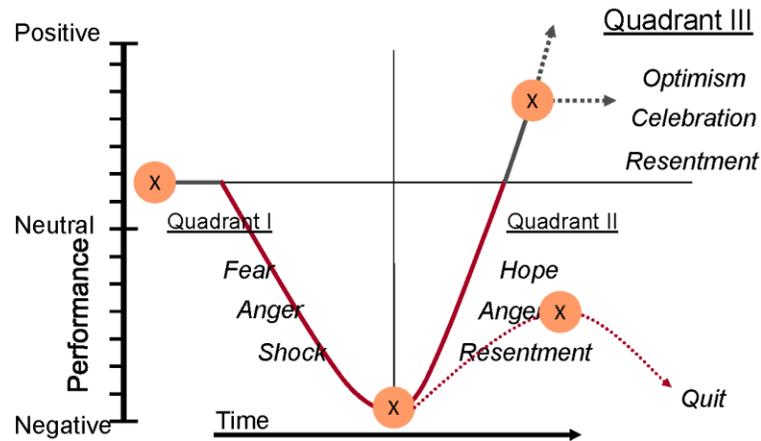
Goal:
SURVIVAL!



Expected Results



The 'J' Curve



As framed by Dave Logan, CultureSync

Organizational change defined

“Organizational change is the broadest level of change. It involves large-scale change in the direction, structure, major processes or culture of the organization.”

M. van Wart, 2017

Leadership in Public Organizations



- Developmental
- Transactional
- Transformational

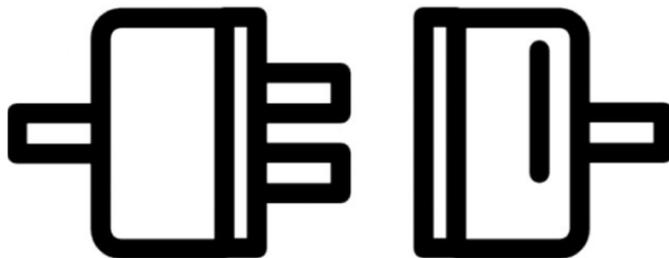


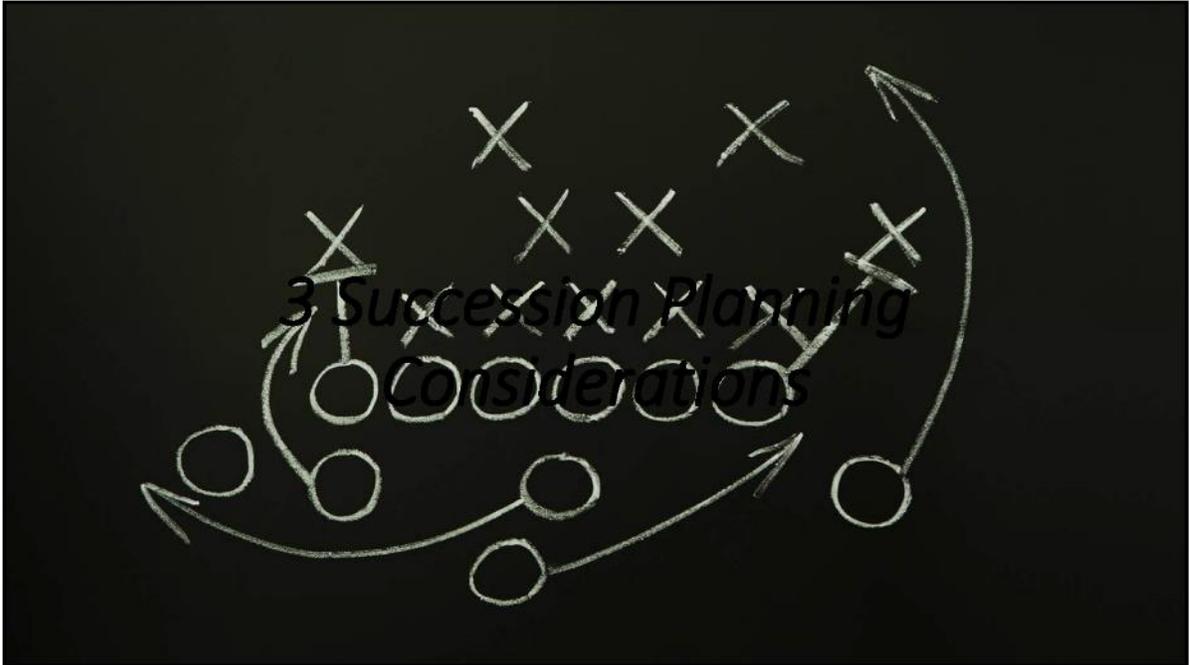
Types of Organizational Change

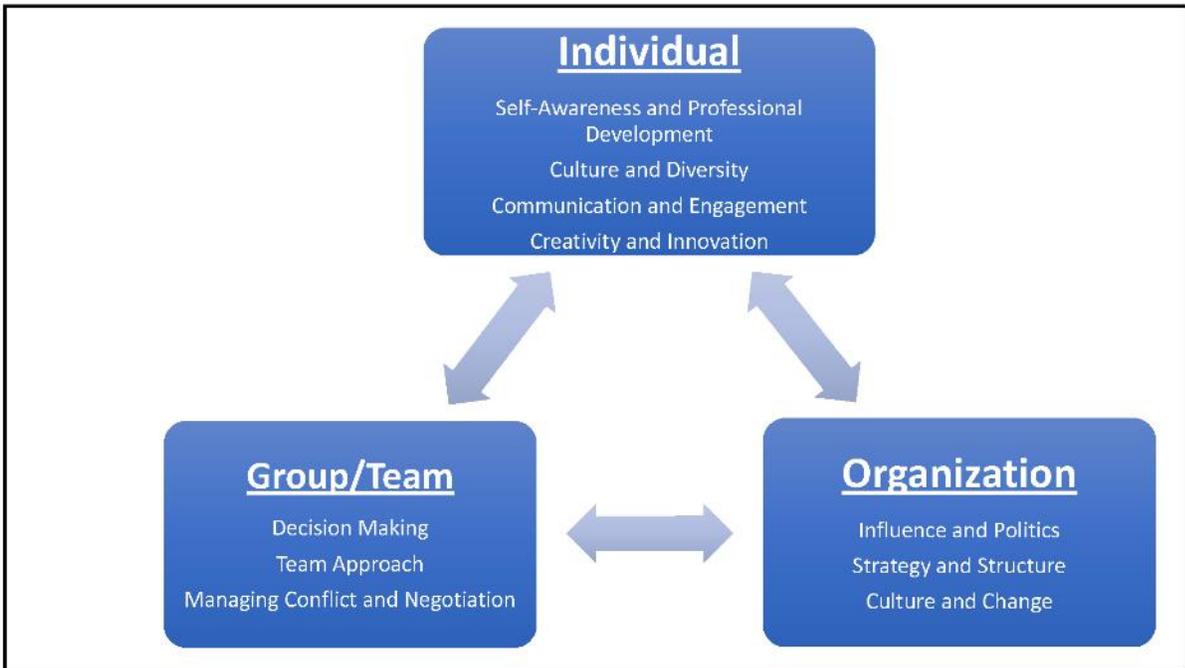
| Type | Primary Motivation | Clarity of Outcome | Orientation | How Change Occurs |
|-------------------------|-----------------------|--------------------|--|---|
| Developmental Change | Improvement | Against standards | Area/project-oriented | Training, process improvement |
| Transitional Change | Fix a problem | Through criteria | Project-oriented; focus on structure, technology, work practices | Controlled process, support structures |
| Transformational Change | Survival or "Thrival" | Unknown/emergent | Process-oriented; shift in mindset, behavior, culture | Conscious process design and facilitation |

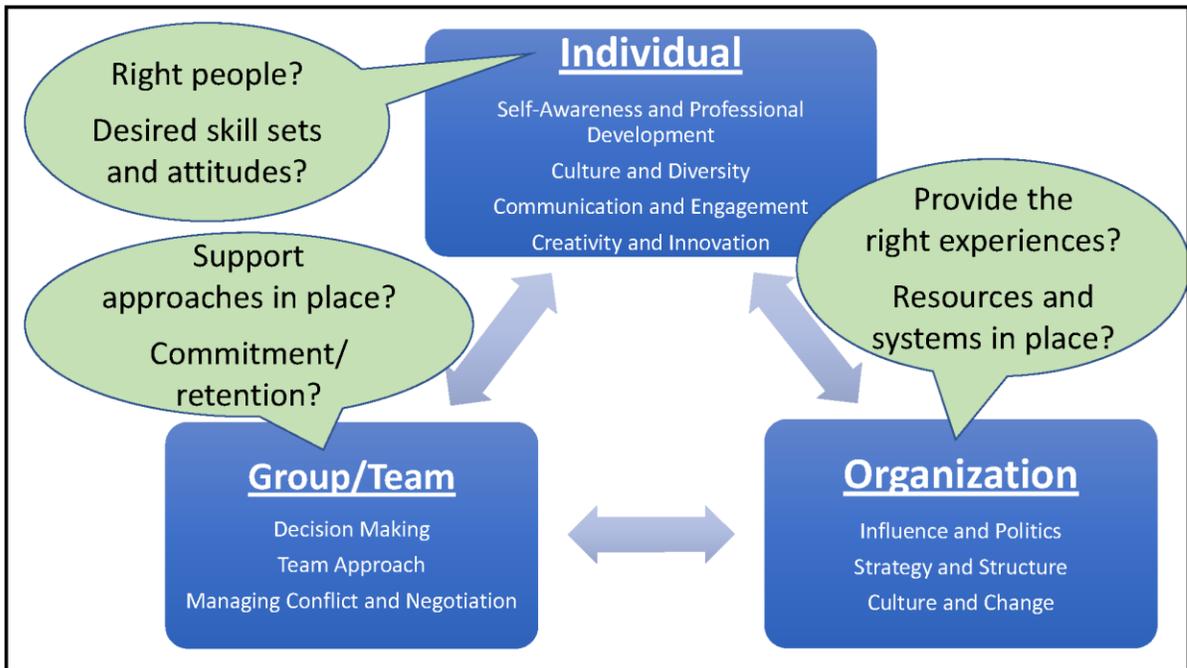
Adapted from Anderson/Beyond Change Management

Connection between organizational culture and succession planning...









Leadership in Action

How do I make sense of this morning's presentation as it applies to my professional world?

3 – 2 – 1 Guided Reflections Exercise

In Summary...

3 Challenge Themes
3 Types of Change
+ 3 Succession Planning
Considerations
3 Thoughts

USC Price

Sol Price School of Public Policy
In Sacramento,
Executive Education

Paul Danczyk, PhD
danczyk@usc.edu

Ashleigh Stayton, MPA
stayton@usc.edu

1800 I Street
Sacramento, CA 95811

(916) 637-8988

Thank you!

CPAAC Spring Conference 2017

Organizational Change and Succession Planning
P. Danczyk and A. Stayton

March 22, 2017
8:00 AM to 12:00 PM

3 – 2 – 1 Reflections!

- 3.** a. _____
- b. _____
- c. _____

- 2.** a. _____

- b. _____

- 1.** _____



The Great Divide

Cross Generational Workplace Conflicts

Mary Egan, Partner

MRG - Human Resource Services

<http://online.flipbuilder.com/bkbo/khoe/#p=1>

Cal-ICMA Talent Initiative

Creating Strategies to Address Tomorrow's Talent Issues Today

Nancy Hetrick, Partner
Management Partners & Member, CAL-ICMA

Donna Vaillancourt, Director of HR
County of San Mateo & Member, Cal-ICMA Talent

Talent Initiative Focus Group Agenda

Talent Initiative – Project Propose

The purpose of the Initiative is to engage senior managers in California local governments in a conversation about the business necessity to attract, retain and develop talent at all levels of the organization and the practical strategies and culture-building practices and resources needed to do so.

1. Welcome and Introductions

Purpose: Welcome participants and introduce the purpose of the session.

2. Overview of Cal-ICMA Talent Initiative

Purpose: Introduce the purpose of the session and provide context and background on the Talent Initiative to set the stage for an engaging dialogue.

3. Focus Group Discussion

Purpose: Obtain input from local government professionals that will inform the implementation of the Cal-ICMA Talent Initiative priorities and program development. The discussion will cover the following topics:

- Talent development obstacles and successful practices
- Talent attraction challenges and solutions
- Workforce retention strategies
- Desired tools and support to address talent management needs

4. Wrap Up and Next Steps

Purpose: Summarize key themes and take-aways and identify next steps.

6. Adjourn

Cal-ICMA Talent Initiative

Purpose

To remain viable and effective into the future, many local governments are engaged in a war for talent, as they try to attract, retain and grow employees.

The purpose of the Talent Initiative is to engage chief executives, HR directors, and emerging leaders of local governments in a conversation about three questions:

1. What are the kinds of talent challenges that confound cities, counties and special districts in California?
2. What obstacles hinder our efforts to address talent challenges?
3. What are the best practices from public and private sectors, culture-building strategies, and other resources we can use to better attract, retain and grow talent?

Goals

Undertaken by the Cal-ICMA Talent Development Team (previously known as the “Preparing the Next Generation” Committee), the Talent Initiative seeks to achieve the following goals:

- Promote an awareness that talent development is a key business imperative, including the top priorities of attracting, retaining and developing talent.
- Generate a deeper commitment on the part of chief executives and other senior managers to focus attention, will, time and other resources on talent development activities in their agencies.
- Provide best practices, case examples, and other resources to assist senior managers to address the talent challenge going forward.
- Explore ways of engaging local government elected officials in the talent challenge, raising their awareness, and generating political support for talent development efforts.
- Brand and market the meaningful work of public service to a broad audience.
- Enhance the diversity of local government workforces by promoting inclusion and opportunities.

Typical Obstacles

The Cal-ICMA Talent Development Team has identified a variety of obstacles common to talent development efforts. These include:

- There is no time to train, coach, and otherwise develop talent.
- Many agencies feel that they are too small to provide in-house employee development programs.
- Flattening of many organizations has made the jump from line to manager more significant.
- Pension reforms have made it harder for mid-managers to move to other organizations where they may encounter different pension tiers and benefits.
- Many employees feel that management talks about talent development but their supervisors don't seem committed.
- Young talent views local government as too bureaucratic and fail to perceive opportunities for meaning work or making a difference.
- Recruitment processes take too long and are overly cumbersome.
- Local government organizational cultures are not aligned with millennials and their values.

Project Activities

Talent Initiative activities include:

1. Conduct a broad survey (already completed--“soft” leadership and communication skills were the most needed)
2. Facilitate seven focus groups addressing questions central to the Initiative
3. Prepare a summary report including recommendations that respond to the issues raised by the survey and focus groups
4. Develop an online compendium of talent development resources, best practices and case studies featured on a dedicated webpage of the Cal-ICMA website
5. Promote the use of resources as part of existing training programs and conferences

For More Information

Contact Dominic Lazzaretto, City Manager, Arcadia, and Co-Chair of Talent Development Team, at domlazz@arcadiaca.gov



Local governments will face significant challenges in attracting and retaining talent in the years ahead as retiring baby boomers are replaced by a workforce that is younger, more diverse, more mobile, and more reliant on information and communication technologies. The workforce of the future will have different expectations of employers and employment than their predecessors. The impact of baby boomer retirements will be widely felt in both the public and private sectors. There will be increased competition for talent and greater pressure on local governments to adapt to changing times, market themselves as employers of choice, anticipate workforce needs, and invest in and engage employees in meaningful ways.

These issues have not been on the radar screen for many elected and appointed officials. Budget challenges, legacy costs, and certain political environments will make it difficult for many local governments to compete with the private sector when it comes to wages. But leadership makes a difference. Public service is more than a paycheck and next generation workers are attracted to meaningful work and the opportunity to make a difference in people's lives. Local governments can market themselves as an employer of choice by focusing on their assets: a sense of purpose, a mission that matters, being able to serve the public with integrity, interesting work, internal mobility, good benefits, and job variety.

While these assets may offset a less competitive salary, the traditions, practices, routines, and habits of government work will need to change. The next generation has a preference for flexibility, self-directed work, rapid upward mobility, and a highly collaborative environment.

Local government leaders need to have a sense of urgency about the challenges and changes ahead. Organizational transformation is needed and requires leadership.

MANAGING A DIVERSE WORKFORCE

A multi-generational and increasingly diverse workforce offers both opportunities and challenges. Older workers bring experience and know-how to the job, essential to high performance. Younger workers bring energy, new ideas, and technology savvy, attributes that are equally important. With four to five generations already coexisting in the workplace, local managers need to be cognizant of the similarities, differences, and nuances of each generation and find creative ways to accommodate them. Managers also need to build trust and communicate effectively to gain everyone's commitment to organizational goals.

Themes that emerged from interviews with local government managers, academics, and HR experts and from a literature review conducted for this project include:

- Transforming local government human resources policies and practices is at the heart of building the workforce of tomorrow and requires commitment from the top.
- Next generation workers are motivated by more than money. They want opportunities to do something worthwhile, so they will examine an organization's values and culture when considering a position.
- Flexible work practices can enhance retention for workers at all career stages. Younger workers expect the flexibility to work anytime from anywhere to get the job done—and older workers appreciate such flexibility as well.
- Technology will shape how work is organized, the nature of employment relationships, how employees communicate with each other and constituents, and the skills needed for many jobs. Younger employees are drawn to employers that provide the most up-to-date technology.
- Developing the next generation of leaders is vital to building and sustaining a talented workforce of tomorrow.
- Graduate and undergraduate students responding to a survey administered by the Center for State and Local Government Excellence (SLGE) for this project offered similar themes:
- Most students have a favorable opinion of local government, are likely to pursue local government career options, and are attracted by the opportunity to make a difference in the community and people's lives.
- Students who said they aren't likely to pursue local government career options cited too much bureaucracy, constraints on what can be accomplished, not enough creative flexibility, slow hiring processes, and a greater interest in the non-profit sector.
- More than 50 percent of respondents said they expect to stay in a local government position for five years or less (compared with an average tenure of 7.1 years for local government employees between 2000 and 2014), and a majority said they plan to work in a variety of sectors throughout their careers.
- Internships provide important work experience to students seeking local government jobs. 50 percent of students are already in internships and 19 percent are seeking those opportunities.
- Professional development is a top priority for students, particularly employer-paid conferences service on committees and task forces, and external training opportunities.

ACTION STRATEGIES

The interviews conducted by SLGE for this project identified six strategies to guide local governments in building the workforce of tomorrow.

1. Reinvent human resources to become flexible, nimble, creative, can-do, strategic, and staffed by skilled employees who champion people management issues and set the workforce agenda. The local government manager should be a key advocate for this transformation.
2. Revamp antiquated policies and practices to meet the needs and expectations of a changing workforce and to compete successfully in the talent race.
3. Make government an employer of choice by building a brand that tells the great story of public service.
4. Focus on talent management, leadership development, and succession planning to prepare for workforce transitions, build needed bench strength, and grow future leaders.
5. Create a culture that values and engages employees in meaningful ways.
6. Leverage technology, data, and automation to improve government operations and provide employees with the tools they need to be highly productive and successful.

Deferred Compensation Plan Compliance

Rasch Cousineau, Senior Consultant
Hyas Group, LLC.



HYAS GROUP
— INVESTMENT ADVISORS —

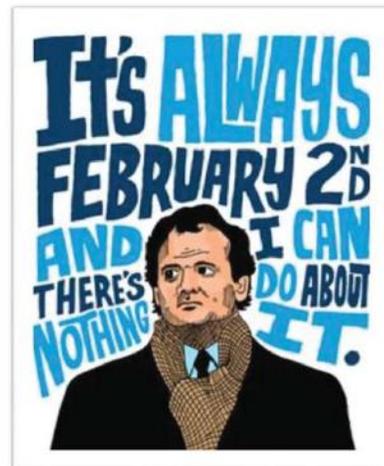
Deferred Compensation Matters CPAAC Spring Conference March 2017

Rasch Cousineau
Senior Consultant
rcousineau@hyasgroup.com
702-898-0441

For Institutional Use Only - Not for Public Distribution

Agenda

- A (Riveting) History of DC Plans
- The Current Deferred Comp Plan-scape
- Better Practices
- Current Provider: To RFP or not to RFP
- Why a Consultant



HYAS GROUP
— INVESTMENT ADVISORS —

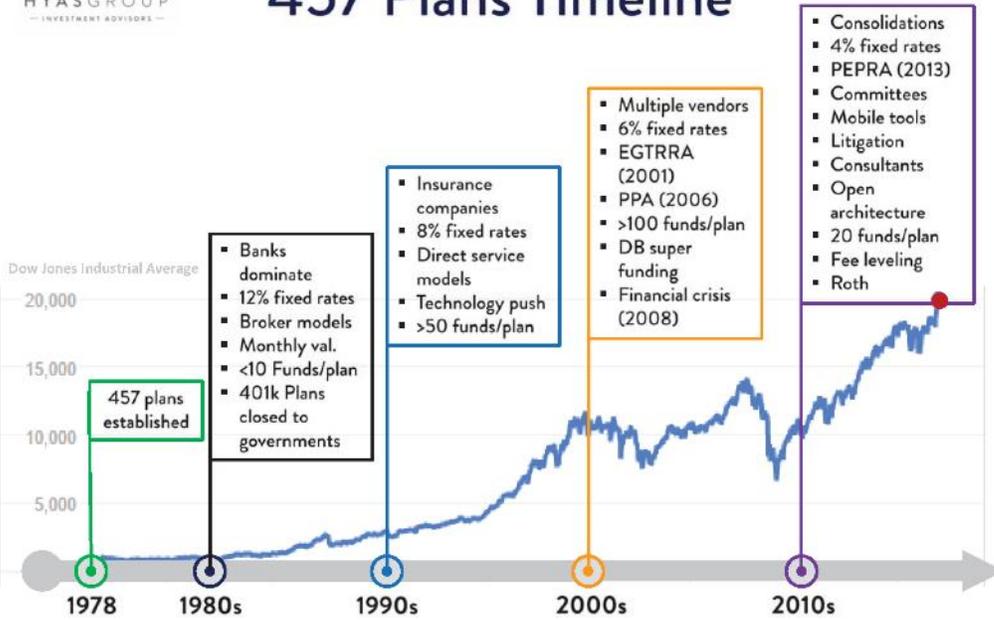


HYAS GROUP
— INVESTMENT ADVISORS —

Riveting History of 457 Deferred Comp Plans



457 Plans Timeline





HYAS GROUP
— INVESTMENT ADVISORS —

Current Deferred Comp Plan-scape



Current Deferred Comp Plan-scape

- Provider/vendor acquisition
- Committees more common
- Emphasis on financial wellness
- More retirees than ever
- Plan leakage problematic
- Revenue equity
- Target Date Funds
- Managed Accounts
- Self Directed Brokerages
- Guaranteed Minimum Withdrawal Products
- Plan Consolidations



HYAS GROUP
— INVESTMENT ADVISORS —

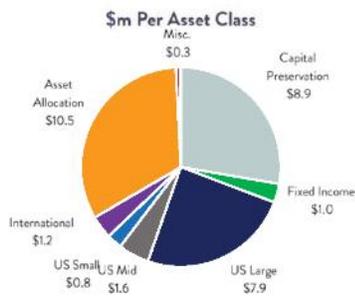
One Provider Benefits

- Industry Best Practice
- Lower Costs
- Better Investments
- More Effective Education
- Fiduciary Efficiencies
- More Meaningful Plan Reporting
- Administrative Efficiencies
- Procurement Efficiencies
- Performance Guarantees
- Legal Soundproofing

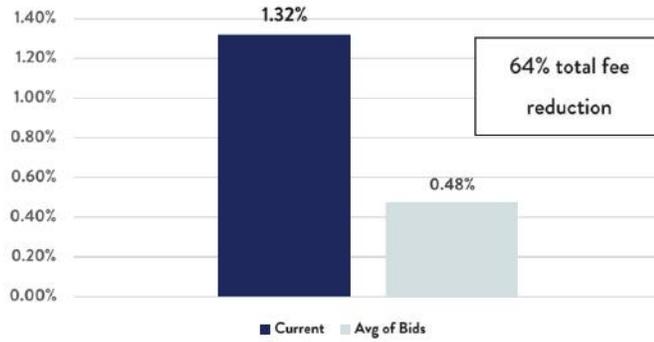


Case Study - Consolidation

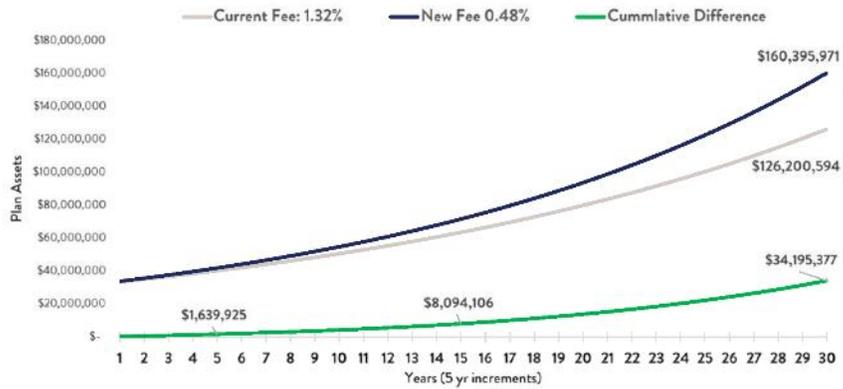
| Plan | Vendor | Assets | #Participants | Avg. Balance |
|------|---------------|---------------------|---------------|-----------------|
| 457 | A | \$11,000,000 | 150 | \$73,333 |
| 457 | B | \$21,000,000 | 300 | \$70,000 |
| | Totals | \$32,000,000 | 450 | \$71,111 |



Total Estimated Fee Reductions



Savings Compounded



- Assumes a 6% gross of fee growth rate and plan assets start at \$32 million
- 5 year savings is \$1.6m, 15 year savings is \$8.1m, 30 year savings is \$34.2m





HYASGROUP
— INVESTMENT ADVISORS —

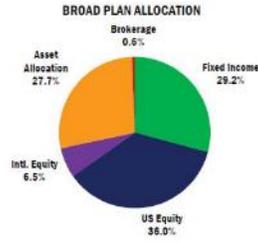
Better Practices



Better practices mean...

- Plan benchmarking/reviews
- Investment Oversight
- Fee Monitoring
- Plan Governance/Fiduciary Training
- Provider Management





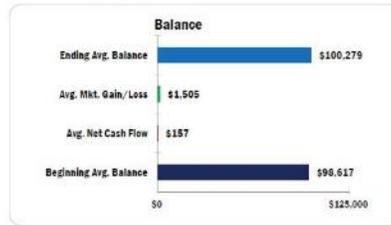
PLAN LEVEL CASH-FLOW

| Asset Class | Beginning Market Value | Net Cash Flow | Market Gain/(Loss) | Ending Market Value | Estimated Qtr Return |
|------------------|------------------------|---------------|--------------------|---------------------|----------------------|
| Fixed Income | \$148,820,397 | \$908,293 | \$282,339 | \$150,011,028 | 0.19% |
| Large Cap | \$129,542,892 | (\$2,170,425) | \$3,412,343 | \$130,784,610 | 2.66% |
| Mid Cap | \$31,940,595 | \$200,094 | \$1,451,963 | \$33,592,652 | 4.53% |
| Small Cap | \$18,903,547 | \$782,465 | \$1,152,611 | \$20,838,624 | 5.98% |
| Global | \$16,173,776 | (\$950,816) | \$625,712 | \$15,848,672 | 3.99% |
| International | \$16,756,448 | \$1,038,503 | (\$445,818) | \$17,349,033 | -2.58% |
| Asset Allocation | \$140,201,684 | \$1,122,481 | \$1,190,640 | \$142,514,805 | 0.85% |
| SDBA | \$3,070,390 | (\$127,041) | \$45,614 | \$2,988,964 | 1.52% |
| Total w/SDBA | \$505,409,730 | \$803,555 | \$7,715,305 | \$513,928,590 | 1.53% |
| Total w/o SDBA | \$502,339,340 | \$930,595 | \$7,669,691 | \$510,939,626 | 1.53% |

PLAN LEVEL RETURN



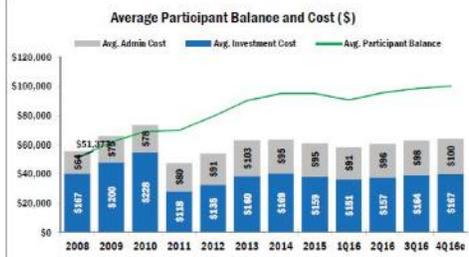
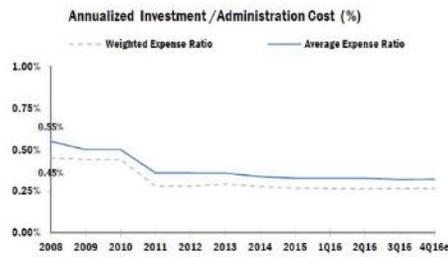
AVERAGE PARTICIPANT BALANCE



Equity Indices: Russell 3000, MSCI ACWI ex USA; Fixed Indices: US Treasury 90 Day T-Bill, Barclays Global Aggregate Bond (rebalanced quarterly)

4Q2016 Investment Performance

| | QTR | YTD | 1 yr | 3 yrs | 5 yrs | 10 yrs | 2015 | 2014 | 2013 | 2012 | 2011 | 2010 |
|---|--------|--------|--------|--------|--------|--------|--------|--------|---------|--------|--------|-------|
| Sample Stable Value | 0.48 | 1.89 | 1.89 | 1.74 | 1.87 | - | 1.74 | 1.99 | 1.85 | 2.30 | 2.89 | 2.95 |
| 3 Year Constant Maturity Treasury + 0.50% | 0.43 | 1.51 | 1.51 | 1.48 | 1.27 | - | 1.53 | 1.40 | 1.05 | 0.88 | 1.6 | 1.61 |
| +/- Index | 0.05 | 0.38 | 0.38 | 0.26 | 0.60 | - | 0.21 | 0.19 | 0.80 | 1.42 | 1.09 | 1.34 |
| Stable Value Universe | 31 | 42 | 42 | 51 | 50 | - | 36 | 53 | 46 | 61 | 53 | 57 |
| Vanguard Total Bond Market Index Institutional | -3.16 | 2.61 | 2.61 | 2.95 | 2.15 | 4.32 | 0.41 | 5.90 | -2.14 | 4.18 | 7.72 | 6.58 |
| Barclays Capital US Aggregate Bond Index | -2.98 | 2.65 | 2.65 | 3.03 | 2.23 | 4.34 | 0.56 | 5.97 | -2.02 | 4.21 | 7.84 | 6.54 |
| +/- Index | (0.18) | (0.04) | (0.04) | (0.08) | (0.08) | (0.02) | (0.14) | (0.06) | (0.11) | (0.03) | (0.12) | 0.04 |
| US OE Intermediate-Term Bond | 89 | 62 | 62 | 39 | 68 | 46 | 28 | 30 | 67 | 83 | 11 | 70 |
| Vanguard Inflation-Protected Secs Admiral | -2.66 | 4.62 | 4.62 | 2.26 | 0.82 | 4.22 | -1.69 | 3.97 | -8.86 | 6.90 | 13.29 | 6.31 |
| Barclays Capital US Treasury US TIPS | -2.41 | 4.68 | 4.68 | 2.26 | 0.89 | 4.36 | -1.44 | 3.64 | -8.61 | 6.98 | 13.56 | 6.31 |
| +/- Index | (0.25) | (0.06) | (0.06) | 0.00 | (0.07) | (0.14) | (0.26) | 0.33 | (0.26) | (0.08) | (0.27) | 0.00 |
| US OE Inflation Protection | 79 | 40 | 40 | 10 | 20 | 16 | 32 | 5 | 54 | 23 | 8 | 29 |
| BlackRock High Yield Bond BlackRock | 2.27 | 14.01 | 14.01 | 4.20 | 7.74 | 7.27 | -3.96 | 3.31 | 9.60 | 17.19 | 3.15 | 18.64 |
| Barclays Capital US Corporate High Yield Index | 1.75 | 17.13 | 17.13 | 4.66 | 7.36 | 7.45 | -4.47 | 2.45 | 7.44 | 15.81 | 4.98 | 15.12 |
| +/- Index | 0.52 | (3.12) | (3.12) | (0.46) | 0.38 | (0.18) | 0.50 | 0.86 | 2.05 | 1.38 | (1.83) | 3.52 |
| US OE High Yield Bond | 20 | 41 | 41 | 22 | 9 | 6 | 52 | 12 | 12 | 15 | 55 | 4 |
| DFA US Large Cap Value I | 8.63 | 18.89 | 18.89 | 8.09 | 16.68 | 6.55 | -3.49 | 10.07 | 40.32 | 22.05 | -3.14 | 20.17 |
| Russell 1000 Value Index | 6.68 | 17.34 | 17.34 | 8.59 | 14.80 | 5.72 | -3.83 | 13.45 | 32.5268 | 17.51 | 0.39 | 15.51 |
| +/- Style Index | 1.95 | 1.55 | 1.55 | (0.50) | 1.88 | 0.83 | 0.33 | (3.39) | 7.80 | 4.54 | (3.53) | 4.66 |
| US OE Large Value | 16 | 14 | 14 | 21 | 2 | 21 | 46 | 60 | 3 | 1 | 69 | 3 |

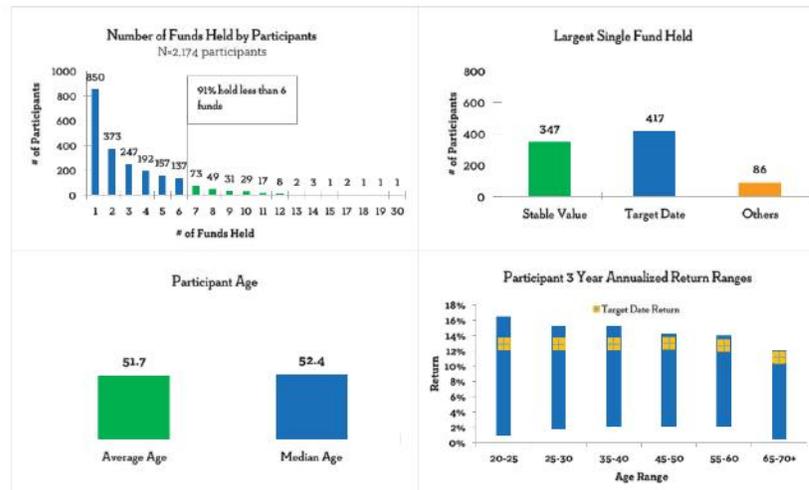


Plan Benchmark Analysis

- Over 100 data points that can be used for comparison
- Evaluate plan utilization metrics
- Assess allocations, returns, participation, and expenses



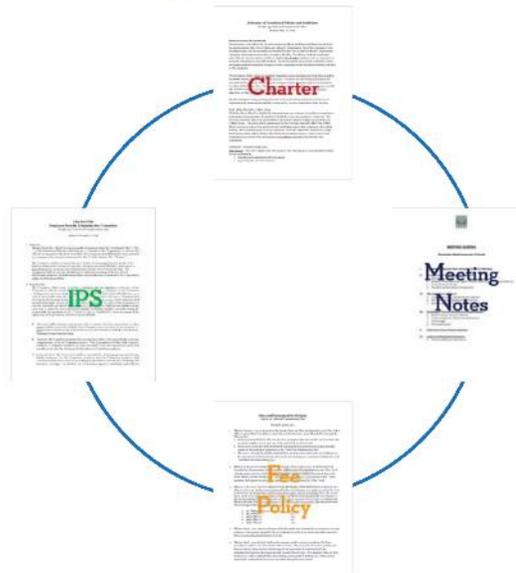
Measure Investment Menu Effectiveness Sample Output



Governance/Fiduciary Oversight

- Good policy equals good structure
- Proper governance documents serve as a foundation for all fiduciaries
- Establish guidelines for critical functions
- Guidelines should balance specificity with flexibility

Establishing A Proper Structure



Fiduciary Education

- Consultant should be your education partner
- Assist clients in meeting fiduciary responsibilities
- Communicate important legal and regulatory changes and trends
- Industry voice/ears
- Full curriculum for fiduciary and retirement trends issues



Fiduciary Curriculum



HYAS GROUP
— INVESTMENT ADVISORS —

Your Current 457 Deferred Comp Provider...
...To RFP



or



...Not to RFP

Benefits of Provider RFP

1. Analyzing the overall competitiveness of the Plans;
2. Providing for the integrated administration and reporting for the Plans;
3. Offering the most appropriate investment menu(s);
4. Improving participant education and communication services;
5. Providing education for the Defined Contribution Plans Committee;
6. Providing robust online and mobile transaction and information capabilities;
7. Providing support for as many administrative functions as deemed appropriate;
8. Evaluating alternative pricing structures including scenarios that consolidate plans to one record keeper;
9. Reducing participant and Plan expenses;
10. Providing for an orderly and timely transition of assets and services if necessary; and
11. Formalizing the working relationship between the provider(s) and the Deferred Compensation Plan Committee.



Successful Provider RFP Outcomes

- Competitive bidding process typically results in lower cost
- We leverage our experience and expertise to obtain best pricing
- We measure a number factors so you will understand the results



Provider RFP Timeline – first half

| <u>Action</u> | <u>Date</u> | <u>Responsible Parties</u> |
|--|-------------|----------------------------|
| Initial meeting to discuss goals and objectives, timelines and any requirements | week 1 | Hyas, Agency |
| Distribute data request to Agency's current providers | week 2 | Hyas |
| Receive data request information from providers | week 4 | Providers |
| Review RFP with Agency | week 5 | Hyas |
| Agency provides RFP comments to Hyas | week 5 | Agency |
| RFP is distributed to providers | week 6 | Hyas |
| RFP related questions from providers due to Hyas group | week 8 | Providers |
| Responses of questions due to providers | week 9 | Hyas, Agency |
| RFP responses due | week 12 | Providers |
| Response analysis | week 13, 14 | Hyas |
| RFP summary report and scoring (if applicable) delivered to Agency | week 15 | Hyas |
| Meeting to discuss RFP summary report, recommendations and Investment Policy Statement | week 16 | Hyas, Agency |
| Determine if Provider interviews are required | week 16 | Hyas, Agency |
| Interview format, timing, questions and scoring finalized (if needed) | week 17 | Hyas, Agency |

Provider RFP Timeline – second half

| <u>Action</u> | <u>Date</u> | <u>Responsible Parties</u> |
|---|-------------|----------------------------|
| Provider interviews (if needed) | week 19 | Hyas, Agency, Providers |
| Final clarifications with best and final offer due | week 20 | Hyas, Providers |
| Notice of intent to award contract | week 21 | Agency |
| Provider contract drafting begins | week 22 | Hyas, Agency, Provider(s) |
| Analysis of investment options presented | week 24 | Hyas, Agency |
| Final fund line-up selected | week 25 | Hyas, Agency |
| Final contract ready for Agency approval | week 26 | Agency, Provider(s) |
| Agency to approve and adopt revised Investment Policy Statement | week 28 | Hyas, Agency |
| First participant communication sent | week 29 | Provider(s) |
| Second participant communication sent | week 31 | Provider(s) |
| Participant meetings and provider presentations begin | week 32 | Agency, Provider(s) |
| Transition Complete | week 36 | Hyas, Agency, Provider(s) |



HYAS GROUP
— INVESTMENT ADVISORS —

Why a Consultant?



Minimize Headline Risk...

[Schwab Faces Excessive Fee, Self-Dealing Lawsuit](#)

A class action Employee Retirement Income Security Act (ERISA) lawsuit has been filed against Charles Schwab Corporation and its retirement plan fiduciaries alleging fiduciary breaches and prohibited transactions. The lawsuit claims plan fiduciaries engaged in the imprudent and disloyal exercise of their discretionary fiduciary authority over the plan to include Schwab's own affiliated investment products as investment options within the plan and sale of their own services to the plan.

[Recordkeeping Fees Trigger Latest Excessive Fee Suit](#)

A new excessive fee lawsuit claims that plan fiduciaries caused plans to "pay excessive fees" and failed to "monitor and control the Plans' escalating costs," resulting in millions of dollars of losses to the plans – and this time share classes are not the issue.

[Oracle Fails to Get 401\(k\) Excessive Fee Suit Dismissed](#)

A judge concluded that the legal and factual merits of plaintiffs' claims are better resolved on a fuller factual record, either in the context of a motion for summary judgment or at trial.

[T. Rowe Price Accused of Self-Dealing in 401\(k\)](#)

The lawsuit alleges the defendants failed to loyally and prudently monitor the fees and performance of 401(k) plan investment options, and simply retained in-house funds to enrich T. Rowe Price.



HYAS GROUP
— INVESTMENT ADVISORS —

In short...

- To Manage Your Provider RFP (if applicable)
- Best Possible Investments
- Most Effective Education
- Best Technology
- Lowest Costs
- Co-Fiduciary to your Plans



Why Hyas?

- Retirement Plan Consulting – Public Sector Focus
- \$21 Billion under Advisement - \$9 Billion in California
- Successfully managed \$10 billion in search projects
- Completed over 60 RFP/RFI projects last 5 years
- Completed 18 client transitions to new vendor



Client List*

ALASKA

Alaska Railroad Corporation
City and Borough of Juneau/
Bartlett Regional Hospital

ARIZONA

City of Glendale
City of Peoria
City of Phoenix
City of Tucson

CALIFORNIA

City of Buena Park
City of Burbank
City of Elk Grove
City of Galt
City of Long Beach
City of Oakland
City of Pasadena
City of Pittsburg
City of Santa Monica
City of Whittier
East Bay Municipal Utility District
Eastern Municipal Water District
First 5 Santa Cruz County
Irvine Ranch Water District
Marin County
Metropolitan Water District
Napa County
Oakland Police Officers Association
Orange County Fire Authority

San Diego Water District
San Joaquin County
Santa Clara Valley Transit
Santa Cruz County
Solano County
Sonoma County Stanislaus County
Yolo County
Yuba City

KANSAS

City of Wichita
Sedgwick County

NEW YORK

Erie County

OREGON

Bonneville Power Administration
Central Lincoln PUD
City of Corvallis
City of Eugene
City of Milwaukie
City of Portland
Clackamas Fire District #1
Clean Water Services
Lane Council of Governments
Lane County
McMinnville Power & Light
Mercy Corps
Metro Oregon
SAIF Corporation

Tri-Met
Trillium Family Services
Washington County

TEXAS

City of Arlington
City of Carrollton
VIA Metropolitan Transit

VIRGINIA

Richmond Retirement System

WASHINGTON

Benton County PUD
City of Kent
City of Renton
City of Richland
City of Richland Fire
City of Shoreline
City of Spokane
City of Tacoma
City of Tacoma Fire
Clark County
Clark County PUD
Everett School District
Franklin PUD
Grays Harbor PUD
HRA VEBA Trust
King County
Mason PUD
Pierce County

Port of Seattle
Port of Tacoma
Snohomish County PUD
Sound Transit
Spokane Employees' Retirement
Spokane Fire Pension
VEBA Trust

*List includes project and retainer clients. It is not known whether any of the above clients approve or disapprove of the services provided by the Hyas Group.



What we discussed...

- History of DC Plans
- Current Deferred Comp Plan-scape
- Better Practices
- To RFP or not to RFP
- Why a Consultant

Thank you!



PROPOSER'S QUALIFICATIONS AND PROPOSAL STATEMENT

A. INDUSTRY EXPERIENCE

1. Provide a statement of qualifications for your firm, including how long in the industry and an explanation of why you feel your firm is best qualified to perform the services for the Plan.
2. Identify the individuals who would be involved in managing the Plan's account and their job titles. Distinguish between the primary contact and the secondary or back-up representative. Provide resumes, including professional licensing and certification.
3. Discuss briefly the experience and qualifications of the individuals identified in A.2. above. Describe their experience working with employee committees with responsibility for defined contribution plan oversight and decision-making.
4. Explain your procedures for providing back-up services when the primary contact is not available.
5. State whether your firm is affiliated, directly or indirectly, with any other entity currently offering an investment option in the Plan? Identify those investment options and describe the relationship. NOTE: An answer in the affirmative will not preclude consideration of any Proposer, but may be used by the Committee in evaluating the Proposer's qualifications.
6. State whether your firm receive any form of compensation, commission, or reimbursement from any mutual fund, investment management or financial management company. If so, please explain. NOTE: An answer in the affirmative will not preclude consideration of any Proposer, but may be used by the Committee in evaluating the Proposer's qualifications.
7. State whether your firm is licensed to do business and, if so, state the nature of the licenses and name of the licensing agency.

B. CAPABILITY TO PROVIDE THE SCOPE OF SERVICES

1. Provide a sample of the performance review and fund search reports proposed for the Plan.
2. Identify the key individual(s) that comprise the technical research staff that would serve our account, including those would be responsible for producing the Plan performance reports and mutual fund searches. Provide resumes, including professional licensing and certification.
3. Discuss briefly the experience and qualifications of the technical research individuals identified in B.2. above. Describe each of their capabilities and the resources available to them.
4. Describe how your firm obtains information from, and maintains relationships with, the investment management, financial management and mutual fund companies with whom your firm works.
5. State whether your firm has advised or provided clients with recommendations with respect to proxy votes relating to Plan investments. Briefly describe the process for providing recommendations, if any.

6. Explain the process your firm currently uses for keeping clients informed of legislative and regulatory changes, as well as industry and plan administrative changes.

7. Describe the unique qualities or perspective your firm would bring to this engagement.

8. Discuss the Scope of Services for the Plan that you are able to provide and tell us about your ability to perform these specific services.

9. Outline the major steps involved in an RFP process for investment provider / record keeper services, and discuss potential pitfalls and strategies to avoid these pitfalls.

C. PROPOSED FEES

1. State your firm's proposed fees for the services described in this RFP for the first three years. The proposed fees should be stated as a total fixed amount, including all anticipated travel related expenses and/or miscellaneous expenses.

2. Please indicate if there would be additional fees for special services (optional services that would not necessarily be utilized within the 3-year term of the Agreement) - for example, assisting with a Request for Information or Proposals for Investment Provider/Record keeper. List each separate fee below and give a detailed explanation of the special service.

3. State whether your firm will require the Plan to utilize any particular software or methodologies to comply with your firm's service practices. If so, describe such methods in detail and describe any fees or costs associated with their use.

D. REFERENCES

Provide references from your three most comparable agency clients. For each reference, include the following:

Name of Organization:

Length of Time as Client:

City or region service Client is located in:

Name of Contact:

Contact's Telephone and Email:

EXCEPTIONS

State here, or attach as a separate document, any exceptions taken to the Scope of Services Required or Sample Contract Form. If none, state "None."

Labor and Employment Law Update

Gage C. Dungy, Partner
Liebert Cassidy Whitmore



Legal Update

County Personnel Administrators
Association of California (CPAAC)
Spring Conference | March 23, 2017

Presented By: Gage C. Dungy

Public Records Act

- Writings Concerning Public Business Are Public Records – Even If They Are Sent, Received, Or Stored On An Employee’s Personal Email, Phone, Or Computer
 - *City of San Jose v. Superior Court (Smith)*
(Mar. 2, 2017) 2017 WL 818506.

Public Records Act

- AB 2843 – Extends Exemptions from the Disclosure of Personal and Emergency Contact Information Under the California Public Records Act to All Public Agency Employees.
 - *(AB 2843 amends Sections 6253.2 and 6254.3 of the Government Code.)*

Police Personnel Files

- A Police Officer Suing for Retaliation for Not Being Promoted is Entitled to Disclosure of the Personnel Files of the Officers Who Were Promoted.
 - *Riske v. Superior Court* (2016) 6 Cal.App.5th 647 [211 Cal.Rptr.3d 477].

Public Safety Officers Procedural Bill of Rights Act

- Removal of a Police Officer from Collateral Duties of SWAT, Honor Guard, and Field Training Officer Was Not Punitive Action Sufficient to Trigger POBR Rights.
 - *Perez v. City of Westminster* (2016) 5 Cal.App.5th 358 [209 Cal.Rptr.3d 504].

Public Safety

- AB 1953 – Renames “Citizens’ Complaints” as “Civilians’ Complaints.”
 - (AB 1953 amends Section 8332 of the Government Code, Sections 148.6, 832.18, 13010.5, 13012, and 13012.5 of the Penal Code, and Section 41603 of the Vehicle Code.)

Disciplinary Appeals

- Employee's Failure to Appear for State Personnel Board Hearing Warranted Dismissal of His Appeal.
 - *Thaxton v. State Personnel Board* (2016) 5 Cal.App.5th 681 [210 Cal.Rptr.3d 105].

Discrimination - Religion

- A Fire Captain Can Be Fired for Repeated Use of Departmental Email System to Send Religious Material to His Colleagues in the Department.
 - *Sprague v. Spokane Valley Fire Department* (2016) 196 Wash.App. 21 [381 P.3d 1259].

First Amendment

- A County Attorney's Statement to the Press About One of Her Cases Is Not Protected by the First Amendment.
 - *Brandon v. Maricopa* (2/23/17) 2107 WL 710471 (9th Cir, 2017)

Employee Speech

- A City Employee Who Is Fired After Announcing That He Will Testify in a Co-Employee's Lawsuit Against the City Can Sue for First Amendment Retaliation.
 - *Stillwell v. City of Williams* (9th Cir. 2016) 831 F.3d 1234.

Employee Speech

- If the Appointing Authority Has No Knowledge of an Employee's Protected Activity, Then the Employee Cannot Prevail in a Retaliation Lawsuit.
 - *Dearman v Stone County* (5th Cir. 2016) 832 F.3d 577.

Discrimination - Race

- An Employee's Admission of Errors in Job Performance Requires Dismissal of Her Lawsuit Alleging Racial Discrimination.
 - *Outley v. Luke* (5th Cir. 2016) 840 F.3d 212.

Retaliation

- Employee Who Claims Retaliation Based on Opposition to Employer Actions Must Establish a Reasonable Basis in Law to Support His or Her Belief that the Employer Acted Unlawfully.

– *Dinslage v. City and County of San Francisco* (2016) 5 Cal.App.5th 368 [209 Cal.Rptr.3d 809].

Disability Discrimination

- Employee's Request for Leave for Tumor Removal Surgery Triggered Employer's Duty to Both Reasonably Accommodate and Assess Need for CFRA Leave.

– *Soria v. Univision Radio Los Angeles, Inc.* (2016) 5 Cal.App.5th 570 [210 Cal.Rptr.3d 59].

Discrimination, Harassment and Retaliation

- AB 1661 – Requires Specified Officials to Receive Sexual Harassment Prevention Training and Education.
 - *(AB 1661 adds Article 2.4.5 (commencing with Section 53237) to Chapter 2 of Part 1 of Division 2 of Title 5 of the Government Code.)*

MMBA

- A Public Employer Must Meet and Consult Before Placing on the Ballot a Proposal to Remove Binding Arbitration from the Charter.
 - *City of Palo Alto v. Public Employment Relations Board* (2016) 5 Cal.App.5th 1271 [211 Cal.Rptr.3d 287].

Brown Act

- SB 1436 – Requires the Legislative Body of a Local Agency to Provide a Summary Report of Executive Compensation Recommendations Before Taking a Final Action.
 - *(SB 1436 amends Section 54953 of the Government Code.)*

Fair Labor Standards Act

- An Employer Owes Overtime Pay if It Could Have Learned with Reasonable Diligence that an Employee is Working Overtime.
 - *Craig v. Bridges Bros. Trucking LLC (6th Cir. 2016) 823 F.3d 382.*

Wage & Hour

- Neutral Time-Rounding Policies Do Not Violate the FLSA.
 - *Corbin v. Time Warner Entertainment-Advance/Newhouse Partnership* (9th Cir. 2016) 821 F.3d 1069.

Retirement

- Court Affirms that PEPRA Does Not Limit County's Right to Repeal COLA Pickup.
 - *San Joaquin County Correctional Officers Association v. County of San Joaquin* (2016) 6 Cal.App.5th 1090 [211 Cal.Rptr.3d 822].

Workers' Compensation

- Exclusivity Rule Applies Only When Work Is Contributing Cause of Workplace Injury.
 - *Lee v. West Kern Water District* (2016) 5 Cal.App.5th 606 [210 Cal.Rptr.3d 362].

Questions?

Gage C. Dungy

Partner | Sacramento Office

916.584.7000 | gdungy@lcwlegal.com

www.lcwlegal.com/Gage-Dungy

CSAC Legislative Update

Tracy Sullivan, Legislative Analyst

Dorothy Johnson Holzem, Legislative Representative

CSAC Government Affairs



Hiring Former Convicts and Reducing Recidivism

Cathy Mount, HR Director,
Alameda County

Lisa M. Garrett, HR Director,
Los Angeles County

Speaker Bios

Rasch Cousineau

RASCH COUSINEAU is a senior consultant for the Hyas Group and focuses on the firm's retirement plan sponsor clients. With over 20 years of experience in the retirement services industry, he offers clients a rich perspective on investment portfolio construction, retirement plan design, vendor management, plan governance, fee negotiation, RFP management, and fiduciary training. Prior to joining the Hyas Group, Mr. Cousineau served as national vice president, defined contribution markets for an industry-leading provider. His responsibilities included: investment only (DCIO) product implementation, mobile technology and web content creation, customer relationship management (CRM) platform design, and development of effective participant outcome tools and targeted demographic messaging. In his role as national vice president, he also led a team of institutional sales professionals responsible for nurturing the RFP process from initial client interaction through the bid response culminating in sales finals and, when applicable: contract negotiation, design, and implementation. In his prior role, he worked closely with industry consultants, investment advisers, plan sponsors, unions, and investment committees during this process. Prior to his role as national vice president,

Mr. Cousineau served as the west coast vice president working directly with regional plan sponsors and committees, helping them create better retirement outcomes for their plan participants and ultimately fulfill their fiduciary responsibilities.



Paul Danczyk, PhD

Paul Danczyk, PhD, is the Director of Executive Education in Sacramento for the University of Southern California Sol Price School of Public Policy.

In his current capacity, Paul designs, coordinates and presents in leadership and management programs – impacting national, state and local governmental and nonprofit organizations – teaches master-level classes on strategic management, leadership, negotiation and public administration in California and Mexico, and is an executive coach. He cofounded and is the lead architect of www.LeadershipEnergizes.com.

Paul was elected Vice President of the American Society for Public Administration in December 2016, the leading interdisciplinary public service professional organization.

A returned Peace Corps Volunteer, Paul earned his PhD from the University of Pittsburgh, focusing on Public and International Affairs; Master of Public

Administration from the University of Southern California; BS in education from the Pennsylvania State University; certified executive coach through the International Coaching Federation, trained at the Hudson Institute for Coaching; and holds Harvard University's Mediating Disputes certification.

He and his wife are raising two sons. Paul enjoys landscaping, creating sculptures, painting, and bee keeping. He can be reached at danczyk@usc.edu.

Gage C. Dungy



Gage provides management-side representation and legal counsel to clients in all matters pertaining to labor and employment law throughout the State of California. This includes both private sector and public sector employers, including cities, counties, special districts, hospitals, businesses, and packing houses, among others.

Gage is experienced in representing and advising employers on various labor and employment law issues, including matters pertaining to employment discrimination/harassment/retaliation, disability accommodation and family/medical leaves of absence, wage and hour law, employee discipline and due process, the meet and confer process, labor relations and negotiations, and the preparation of employment guidelines and policies. Gage represents a range of employers not only in court, but before the Department of Fair Employment and Housing, the Equal Employment Opportunity Commission, the Public Employment Relations Board, the California Unemployment Insurance Appeals Board, the Workers' Compensation Appeals Board, the Department of Labor and the California Labor Commissioner.

Gage has served as chief negotiator for public sector agencies in labor negotiations with their employee organizations, including both miscellaneous and safety employee units covered under the Meyers-Millias-Brown Act (MMBA). Based on this experience, he is very familiar with the relevant laws and strategic considerations related to the representation of public sector clients at the bargaining table, including the impact of the MMBA's recent impasse fact-finding obligations.

Working in Sacramento, Gage also leads LCW's legislative tracking efforts on labor and employment law legislation and works closely with the League of California Cities, California State Association of Counties, and California Special Districts Association to advise on the impacts of such legislation.

Gage has been recognized as a Northern California Rising Star in the field of employment and labor law in 2009-2016. He has also published articles on current labor and employment law cases and trends in the *cailey Journal* and the *California Public Employee Relations Journal*.

Gage previously served on the U.C. Davis School of Law Alumni Association Board of Directors from 2006 to 2016, including as its Board President from 2013 to 2015. He was also the recipient of the University of Notre Dame Young Alumni Award in 2008.

Kathy E. Mount

Kathy is the Director of Operations for the Human Resources Services Department of Alameda County where she is responsible for the day-to-day operations of a department which serves 21 County agencies and departments and nearly 10,000 employees.

Before she began this position in January 2015 she was the Assistant City Manager for the City of South San Francisco, following five years as the city's Human Resources Director and Risk Manager. In that capacity she Directed all functions and planning of the Human Resources Department, and provided advice to the City Manager and City Council on all personnel and labor issues as the 2008 recession enveloped City government.

Kathy came to Human Resources with a legal background, having been a partner at Meyers Nave for 10 years advising public sector clients in labor and employment matters, and an Alameda County Deputy County Counsel for another seven.

Kathy received her BA from the University of California, Davis and her J.D. from the University of San Francisco.



Ashleigh Stayton

Ashleigh Stayton currently serves as the Recruitment and Marketing Manager for the USC Price School of Public Policy in Sacramento and as an Assistant Adjunct Professor in Communications Studies for the Los Rios Community College District. She has a Bachelor's degree in Organizational Communications with a minor in Education from Sacramento State University and a Master's of Public Administration from USC Price with a focus in Local Government and Organizational Leadership. Stayton has facilitated professional develop trainings in the areas of Leadership, Professional Development, and Customer Service. She is a Sacramento native and a proud USC Alumni with a passion for higher education and workforce development.

Sponsors



And our gratitude to our presenters

for the gift of their time and wisdom.