

Tuesday, January 29, 2019

The Board met at its offices at 450 N Street, Sacramento, at 10:31 a.m., with Mr. Gaines, Chair, Ms. Cohen, Vice Chair, Mr. Vazquez, Mr. Schaefer and Ms. Yee present.

PLEDGE OF ALLEGIANCE

The Pledge of Allegiance was led by Mr. Vazquez.

Each Member made welcoming comments.

BOARD MEMBER REQUESTED MATTERS

Board Governance Policy (Ms. Yee)

Ms. Yee made introductory remarks regarding a draft governance policy, which she presented for discussion and possible adoption ([Exhibit 1.1](#)).

Action: The Board deferred consideration of the matter and directed staff to: 1) remove the budget change proposal issue pending the Attorney General's ruling; 2) add one district office; and, 3) provide its recommendation after a thorough legal analysis of the changed version.

Exhibits to these minutes are incorporated by reference.

CHIEF COUNSEL MATTERS

OTHER CHIEF COUNSEL MATTERS

Organization of the Board

Henry D. Nanjo, Chief Counsel, made introductory remarks regarding the organization of the Board, including the Chair and Vice Chair rotation policy, and the election of the Chair and Vice Chair, as well as the housekeeping matters of meeting dates and start times.

Action: Mr. Schaefer moved to elect Mr. Gaines as Chair and Ms. Cohen as Vice Chair for the remainder of the year. The motion failed for lack of a second.

~~Upon motion of Mr. Gaines, seconded by Mr. Schaefer and unanimously carried, Mr. Gaines, Ms. Cohen, Mr. Vazquez, Mr. Schaefer and Ms. Yee voting yes, the Board chose a rotation policy of 1-year terms, with Ms. Cohen becoming Chair effective for the February meeting until the conclusion of December 2019, and rotating by district number beginning in January of each year thereafter. (This vote was rescinded following the next motion.)~~

Mr. Gaines moved to elect Ms. Cohen as Chair and Mr. Vazquez as Vice Chair effective immediately. The motion failed for lack of a second.

Upon motion of Ms. Cohen, seconded by Mr. Vazquez and unanimously carried, Mr. Gaines, Ms. Cohen, Mr. Vazquez, Mr. Schaefer and Ms. Yee voting yes, the Board rescinded its prior vote on the rotation policy.

Upon motion of Mr. Gaines, seconded by Ms. Cohen and unanimously carried, Mr. Gaines, Ms. Cohen, Mr. Vazquez, Mr. Schaefer and Ms. Yee voting yes, the Board chose a rotation policy of 1-year terms that begin each January meeting, beginning with District 2 as Chair and District 3 as Vice Chair, effective immediately, and rotating by district number each January thereafter.

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The Board recessed at 11:28 a.m. and reconvened at 11:43 a.m. with Ms. Cohen, Mr. Vazquez, Mr. Gaines and Mr. Schaefer present, Ms. Stowers present on behalf of Ms. Yee in accordance with Government Code section 7.9.

Henry D. Nanjo, Chief Counsel, made introductory remarks regarding housekeeping matters: meeting dates, future conflict scheduled, start times and scheduled breaks.

Action: Upon motion of Ms. Cohen, seconded by Mr. Vazquez and unanimously carried, Ms. Cohen, Mr. Vazquez, Mr. Gaines, Mr. Schaefer and Ms. Stowers voting yes, the Board changed the normal meeting start time to 10:00 a.m.

Review of Conferring Powers

Henry D. Nanjo, Chief Counsel, provided a review of powers conferred on the Executive Director.

Mr. Vazquez recommended the removal of references to the 2017/2018 legislation. He also recommended the addition of clarification that the Budget Change Proposal (BCP) authority is pending the Attorney General's ruling.

ADMINISTRATIVE SESSION

ADMINISTRATIVE MATTERS, CONSENT

With respect to the Administrative Matters, Consent Agenda, upon a single motion of Ms. Stowers, seconded by Mr. Vazquez and unanimously carried, Ms. Cohen, Mr. Vazquez, Mr. Gaines, Mr. Schaefer and Ms. Stowers voting yes, the Board made the following order:

Action: Approve the Board Meeting Minutes of December 12-13, 2018.

OTHER ADMINISTRATIVE MATTERS

Executive Director's Report

Brenda Fleming, Interim Executive Director, provided a report regarding the status of pending and upcoming organizational issues including: AB 102, ACA 2, delegation of authority, office space and relocation.

Ms. Cohen acknowledged the support and leadership of Brenda Fleming, Interim Executive Director; Henry D. Nanjo, Chief Counsel; and, the support of California Department of Tax and Fee Administration (CDTFA) and Government Operations (GovOps). She also acknowledged the dedication of remaining BOE staff.

Ms. Cohen directed the Interim Executive Director to provide to the Board clear steps for: 1) office space alternatives to the Department of General Services (DGS) facilities plan, exploring agency facilities needs consistent with the agency's budget; 2) restoring delegation of authority for procurement and human resources; 3) share with the Board the previously explored

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facilities options in the downtown area; and, 4) requested the process, in detail, for obtaining delegation of authority from DGS. Members also requested more details in writing on cost of construction and costs of doing business with the new structure of BOE. Ms. Cohen directed the Interim Executive Director to share with the Board the details of the BOE and Member budget.

ANNOUNCEMENT OF CLOSED SESSION

The Board recessed at 12:43 p.m. and reconvened immediately in closed session with Ms. Cohen, Mr. Vazquez, Mr. Gaines, Mr. Schaefer and Ms. Stowers present.

CLOSED SESSION

The Board met to discuss personnel matters (Gov. Code § 11126(a)(1)).

ANNOUNCEMENT OF OPEN SESSION

The Board recessed at 1:52 p.m. and reconvened immediately in open session with Ms. Cohen, Mr. Vazquez, Mr. Gaines, Mr. Schaefer and Ms. Stowers present.

Ms. Cohen announced the Board's approval of the closed session minutes; and, the appointment of Brenda Fleming to the position of Executive Director, effective immediately.

ADMINISTRATIVE SESSION (CONTINUED)

OTHER ADMINISTRATIVE MATTERS

Property Tax Deputy Director's Report

David Yeung, Chief, County-Assessed Properties Division, Property Tax Department, introduced Honorable Leslie K. Davis, President, California Assessors' Association (CAA), and Calaveras County Assessor, who provided an overview of the CAA's organization and its role as it relates to the Board of Equalization and the taxpayers of California ([Exhibit 1.2](#)).

Executive Director's Report (Continued)

Brenda Fleming, Executive Director, introduced Lisa Thompson, Chief, Taxpayer Rights Advocates Office, who provided an overview of the Taxpayers' Rights Advocate's Office and its role in taxpayer assistance and education ([Exhibit 1.3](#)).

Members suggested staff provide its customers with multi-language products and website information when resources allow.

Chief Counsel's Report

Henry D. Nanjo, Chief Counsel, provided a brief overview of the Legal Department.

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Property Tax Deputy Director's Report (Continued)

David Yeung, Chief, County-Assessed Properties Division, Property Tax Department, provided a brief overview of the Property Tax Department ([Exhibit 1.4](#)).

Legislative, Research & Statistics Division Chief's Report

Mark Durham, Chief, Legislative, Research & Statistics Division, provided a brief overview of the Legislative, Research & Statistics Division ([Exhibit 1.5](#)).

Mark Durham, Chief, Legislative, Research & Statistics Division, provided an overview and status on Assembly Constitutional Amendment 2 (ACA 2); and, an overview and status on Assembly Bill 102 (AB 102) ([Exhibit 1.6](#)).

The Board discussed the possibility of the Executive Director working with the Members to draft a letter in opposition to ACA 2, which would potentially include signatures by each Member, with Ms. Stowers abstaining.

BOARD MEMBER REQUESTED MATTERS (CONTINUED)**Strategic Planning (Mr. Vazquez)**

Mr. Vazquez led a discussion of potential strategic planning activities.

The Board adjourned at 3:53 p.m.

The foregoing minutes are adopted by the Board on February 26, 2019.