



## **NOTICE OF TELECONFERENCE MEETING & AGENDA**

**Friday, June 25, 2021 11:00 a.m. – 12:15 p.m.**

### **Join Zoom Meeting**

<https://zoom.us/j/8267160176>

Meeting ID: 826 716 0176

Call in Number: +1 (669) 900-9128 Code: 8267160176#

In line with guidelines issued by the Department of Public Health and Executive Orders issued by the Governor of the State of California (See E.O. N-33-20 Issued March 19, 2020) intended to minimize face-to-face interactions during the present State of emergency, CCA will conduct this meeting of the Board of Directors entirely by teleconference / video conference call with no physical locations available for participation by either Board Members or the public. Members of the public are encouraged, however, to call in and participate as they have in the past via our teleconferencing system and a time will be made available during the meeting for public questions and comments.

### **PUBLIC COMMENT:**

The Board welcomes and encourages public participation in its meetings. The public may take appropriate opportunities to comment on any issue before the Board. If public comment is not specifically requested, members of the public should feel free to request an opportunity to comment. Each speaker is limited to two minutes. If you are addressing the Board on a non-agenda item, the Board may briefly respond to statements made or questions posed as allowed by the Brown Act (Government Code Section 54954.2). However, the Board's general policy is to refer items to staff for attention, or have a matter placed on a future Board agenda for a more comprehensive action or report.

The Governor's orders (specifically Executive Order N-29-20) regarding the conduct of meetings of legislative bodies during the State of Emergency can be found at <http://www.gov.ca.gov/>

If you would like to receive Notices and Announcements from CCA, please send an email to [subscribe@cca.ca.gov](mailto:subscribe@cca.ca.gov) and a subscription form will be sent to you or fill out our online subscription form at <http://cca.ca.gov/subscribe/>

## AGENDA

- I. 11:00 am Opening Remarks & Roll Call  
*Mary Zeeb, President*
  
- II. 11:05 am Approval of Minutes (See Attached)  
*Mary Zeeb, President*
  
- III. 11:10 am Legislative Update  
*Greg Turner, Executive Director / Counsel CCA*
  
- IV. 11:15 am Organizational Issues
  - A. FY 21/22 Budget Approval (Possible Action)
  - B. Fix CCA Dues for FY 21/22 (Possible Action)
  - C. Conflict of Interest Code (Possible Action)
  - D. FY 21/22 Meeting Calendar
  
- V. 11:45 am Closed Session
  - A. Executive Director Contract (Possible Action)
  
- VI. 12:00 pm Platform Update  
*Adam Crabtree, NCS Analytics*
  
- VII. 12:10 pm Public Comment

Except where noticed for a time certain, all times are approximate and subject to change. The meeting may be canceled or changed without notice. For verification, please contact [gturnerecca.ca.gov](mailto:gturnerecca.ca.gov). Action may be taken on any item on the agenda. Items may be taken out of order, tabled or held over to a subsequent meeting, to accommodate speakers, or to maintain a quorum



CCA Board Meeting  
Via Video / TeleConference Call  
May 21, 2021  
**MINUTES**

**May 21, 2021 via Video / Teleconference Call**

**1. Roll Call.**

- X Supervisor Steve Madrone, Humboldt County
- X Mary Zeeb, Treasurer-Tax Collector, Monterey County, CCA Secretary
- X Jim Hamilton, Treasurer-Tax Collector, San Luis Obispo County, CCA Treasurer
- X Chad Rinde, Chief Financial Officer, Yolo County
- X Alisha McMurtrie, Treasurer-Tax Collector, Inyo County

Others: Greg Turner, Adam Crabtree, Christy Stutzman, Robert Roach, John Bartholomew

**2. Approval of Minutes** - The minutes were presented and voted on without dissent.

**3. Legislative Update –**

1. Greg Turner had a meeting with CSAC and the governors administration regarding updates on consolidation. It is set to begin July 1<sup>st</sup>.
2. A consultant has been identified to help CCA improve the communication with the governor's office and we are excited to use them.

**4. Organizational Update –**

- A. Banking Pilot Project – CCA continues to work on conversations with financial institutions, payment processors and those in the cannabis industry to bridge and work out a process. We hope to have a proposal soon.
- B. Transparency Project – We are preparing to make the site live in the next few weeks.

**5. Requested Discussion – CCA Member Value**


Greg presented the value proposition as: the NCS Analytics Platform and Collaboration promotes efficiency and effectiveness

**6. Platform Update** – Adam Crabtree is currently piloting the form updates in Monterey and Yolo and receiving feedback.

**7. Public Comment.** There was no public comment.



**To:** Members of the Board

**From:** Greg Turner   
Executive Director / Counsel

**Date:** 6/22/2021

**Re:** CCA FY 21/22 Budget

---

Attached is the Budget for CCA for FY 21/22 for your consideration and approval. You may recall that we first considered this budget in December of 2020 and this version roughly reflects that budget with several important modifications described here.

Our revenue projections for FY 21/22 have increased to reflect the addition of members to the organization as well as conservative estimates for special projects we anticipate pursuing. By increasing the members on the platform, we necessarily increase our Data Platform Fees. We also are hoping to make real progress in fulfilling our obligations to CSAC Finance Corp. The budget reflects approximately \$55,000 for exigencies which is about twenty percent of our fixed costs (those not associated with use of the platform).

On the Fixed Costs aspect of the budget, there is an increase in "Professional Services" expense from the December draft that reflects additional costs for our engagement of a contract lobbyist to assist us in communicating with the Administration on cannabis related issues.

One issue that has come up that I think the Board should consider with this Budget is the variability and unlimited nature of our present fee structure. Under the tiered rate structure currently in operation, member fees are potentially unlimited if use of the platform expands commensurately. Variability itself has been a source of criticism of our existing fee structure. As our organization has stabilized along with local regulatory and tax regimes, it may make sense to adopt a fixed fee based on our best estimates of platform utilization for the fiscal year. In other words, for each of our members in the platform, CCA will work with them to establish a best estimate of fees for the coming fiscal year and commit to bill only that amount, regardless of variable utilization of the platform during the fiscal year.

The benefit of this feature is that it eliminates the potential for county budget augmentation requests during the fiscal year should actual utilization exceed anticipated utilization. Fixing fees for the fiscal year also helps with onboarding new members during the fiscal year whose early periods of utilization are potentially significant but uncertain.



## Budget Update

	FY 2020-21 Adjusted	YTD FY Q3	Projected EY	FY 21/22	
<b>Sources:</b>					
<b>BEGINNING YEAR FUND BALANCE AVAILABLE</b>	50,502			50,468	
<b>REVENUES:</b>					
Membership Fees	280,819	292,702	421,562	1,110,200	
Other					
Accounts/Notes Payable	10,000				
CSAC FC Contribution					
Interest	529	422	529	1,100	
<b>TOTAL SOURCES</b>	<b>341,850</b>	<b>293,124</b>	<b>422,091</b>	<b>1,161,768</b>	
<b>Uses:</b>					
<b>EXPENDITURES:</b>					
	<b>Codes</b>				
Professional Services	5050340	24,000	18,000	24,000	135,000
Outside Legal Services	5050320	96,000	72,000	96,000	96,000
Insurance	5050160	2,500	2,478	4,938	2,500
Audit	5050030	7,500	-	-	8,500
Program Marketing	5050010	5,000	-	-	7,500
Website Management	5050100	4,500	3,288	4,151	4,500
Sponsorship Fees (Misc Exp)	5050270	48,000	-	-	125,000
Data Platform Fees (Data Communications)	5050100	145,000	165,375	240,000	715,000
Board Travel	5050450	3,500	-	-	4,500
Telephone / Telecommunications	5050440	1,200	-	-	1,850
Board Meetings	5050125	2,500	-	-	2,500
Credit Card Fees	5050095	650	110	705	650
Office Expenses	5050280	1,500	1,418	1,829	2,500
<b>TOTAL EXPENDITURES:</b>					
<b>Fixed Costs</b>		148,850	97,294	131,623	266,000
<b>Variable Costs</b>		193,000	165,375	240,000	840,000
		<b>341,850</b>	<b>262,669</b>	<b>371,623</b>	<b>1,106,000</b>
<b>Exigencies</b>			30,454	50,468	55,768
<b>TOTAL USES</b>		<b>341,850</b>	<b>293,124</b>	<b>422,091</b>	<b>1,161,768</b>

## ARTICLE III. CONFLICT OF INTEREST POLICY

### 3.01 PURPOSE

Conflict of interest is defined generally as acting in any way contrary to the best interests of the Authority. Officers, agents and employees are expected to exercise good judgment and discretion in evaluating any particular activity so as to avoid any actual or apparent conflict of interest. No employee shall take any action on behalf of the Authority, which they know, or reasonably should know, violates any applicable law or regulation.

The Political Reform Act, Government Code Section 81000 et seq., requires state and local government agencies to adopt and promulgate Conflict of Interest Codes. The Fair Political Practices Commission has adopted a regulation, 2 Cal. Code of Regs., Section 18730, which contains the terms of a standard Conflict of Interest Code, which can be incorporated by reference and which may be amended by the Fair Political Practices Commission to conform to amendments to the Political Reform Act after public notice hearings. Therefore, the terms of 2 Cal. Code of Regs., Section 18730 and any amendments to it duly adopted by the Fair Political Practices Commission, along with the Section 3.02 where officials and designated employees and disclosure categories are set forth, are hereby incorporated by reference and constitute the Conflict of Interest Code of the Authority.

Designated employees shall file their statements of economic interest with the Authority which shall make the statements available for public inspection and reproductions. (Gov. Code Section 81008).

### 3.02 FILING FORM 700

As required by the Political Reform Act of 1974, Members of the Board and designated employees shall file a Form 700, Statement of Economic Interests, disclosing additional sources of income, as well as entertainment, travel and/or gifts accepted.

The position of Board Member, Administrator and Consultant have been designated as those positions subject to provisions of the Conflict of Interest Code in that those positions are the only positions having any substantial responsibility relative to the Authority decision making process or policy. The term Consultant includes the general counsel.

- The categories relative to the types of interests that must be disclosed are based upon the types of financial interests relevant to Authority business which is confined to providing Members and Participants data and other information relevant to commercial cannabis activities in their jurisdictions. Those categories are: Investments and business positions in business entities, and sources of income, of the type to contract with the Authority to supply materials, commodities, supplies, books, machinery, vehicles or equipment utilized by the agency.
- Investments and business positions in business entities, and sources of income, which are contractors, or subcontractors, engaged in the performance of work or services of the

type utilized by the Authority, including but not limited to, insurance companies, carriers, holding companies, underwriters, agents or accounting firms.

- Investment and business positions in business entities, and sources of income, which have files claims, or have claims pending against the Authority.
- Investments and business positions in business entity, and sources of income from bank savings and loans.
- Investments and business positions in, and income from, entities in which the Authority is empowered to invest its funds.
- Interest in commercial real property (or interests in real property used for commercial leasing purposes).

### **3.03 POLITICAL ACTION**

This policy in no manner prohibits membership in any political organization, attendance at meetings, expression of views on political matters nor voting with complete freedom as long as such expressions are not represented as the official viewpoint of this Authority. Therefore:

- Staff members may not use their position with the Authority to promote any specific political action, candidate, or belief.
- Staff members may not use their Authority titles in either written or verbal communications concerning political activities or beliefs.
- Staff members may not use Authority letterhead stationery for personal and/or political correspondence.
- Supervisory employees shall not attempt, through any means, to coerce other staff members into working for or accepting their political beliefs or candidates.
- Staff members may not conduct personal political activity of any kind during working hours, nor use any Authority property, resources or office supplies, while engaged in personal political activity.

### **3.04 VIOLATIONS OF THE CONFLICTS OF INTEREST POLICY**

If the Board of Directors has reasonable cause to believe a Board Member, agent or employee has failed to disclose actual or possible conflicts of interest, it shall inform the member of the basis for such belief and afford the party an opportunity to explain the alleged failure to disclose.

If, after hearing the member's response and after making further investigation as warranted by the circumstances, the Board of Directors determines the member has failed to disclose an actual or possible conflict of interest, it shall take appropriate corrective action.

Any questions regarding a potential conflict of interest or outside work shall be discussed in advance with the Executive Director.

### 3.05 ANNUAL STATEMENTS

Each Director of the Authority and Authority employee shall annually sign a statement which affirms such person:

- Has received a copy of the conflicts of interest policy
- Has read and understands the policy
- Has agreed to comply with the policy





### Conflict of Interest Policy - Annual Disclosure

1. I have read California Cannabis Authority’s statement of Conflict of Interest Policy.

YES

NO

2. I hold the position of board member, officer, or key employee with the following organizations which potentially could cause a conflict of interest with my position and responsibilities with California Cannabis Authority:

Organization Name:

---

Position within Organization:

---

Not Applicable

3. To the best of my knowledge and belief, except as disclosed below, neither I nor any person with whom I have or had a personal, family or business relationship, is engaged in any transaction or activity or has any relationship that may represent a potential competing or conflicting interest, as defined in California Cannabis Authority’s Conflict of Interest Policy.

Disclosure of potential conflict of interest transactions:

---

---

---

---

Further, to the best of my knowledge and belief, except as disclosed herewith, neither I, nor any person with whom I have had a personal, family or business relationship, or compensated professional relationship, intend to engage in any transaction, acquire any interest in any organization or entity, or become the recipient of any substantial gifts or favors that might be covered by the California Cannabis Authority’s Conflict of Interest Policy.

Executed At \_\_\_\_\_ City \_\_\_\_\_ County \_\_\_\_\_ State \_\_\_\_\_ Zip \_\_\_\_\_


Signature \_\_\_\_\_ Date \_\_\_\_\_

X  
Printed Name of Signatory \_\_\_\_\_

Title \_\_\_\_\_ Name of Government Entity \_\_\_\_\_



**To:** Members of the Board

**From:** Greg Turner   
Executive Director / Counsel

**Date:** 6/22/21

**Re:** FY 21/22 Meeting Calendar

---

Below are proposed dates for the Board's Monthly meetings. Except as otherwise noted, the meetings will be via video conference at 11 a.m. PST.

August 27

September 24

October 29

December 10 (Proposed in person, location and time TBD). Budget FY 22/23 Planning.

January 28

February 25

March 25

April 29

May 27

June 24 (Proposed in person, location and time TBD).

.