



CAMTC Board of Directors Meeting

OPEN SESSION MINUTES

February 20, 2020

Sheraton Gateway Los Angeles Hotel

6101 West Century Boulevard

Los Angeles, CA 90045

The Redondo Room

Directors Present: *Ron Bates, Allison Budlong, Mike Callagy, Mark Dixon, Shana Faber, Jeff Forman, Heather Forshey, John Lambert, Michael Marylander, Bernadette Murray, Sean Thuilliez*

Directors Absent: *Stephany Powell*

Staff: *Ahmos Netanel, CEO; Jon Walters, Director of Operations; Beverly May, Director of Governmental Affairs, Anti-Human Trafficking and IT; Roberta Rolnick, Outreach Director; Joe Bob Smith, Director of Educational Standards Division*

Staff Absent: *Rick McElroy, Director of Law Enforcement Relations; Jennifer Swartzel, CFO*

General Counsel: *Jill England*

Special Counsel: *Alison Siegel*

Self-identified Guests: *Laura Embleton, Jason Ritchie, Sandy Acoveda and Marney Hansen, Los Angeles Police Commission*

1. Call to Order, roll call and establish quorum

Chairman Jeff Forman called the meeting to order at 10:34 a.m. and established a quorum.

2. Chair's Comments

- Welcome/Introductions
- Rules of Debate

3. Approval of minutes from November 6, 2019 meeting

MOTION 02202020:1 Thulliez/Callagy - Motion to approve open session minutes from the November 6, 2019 Board meeting with corrections to the names of the self-identified guests.

MOTION PASSES

ROLL CALL VOTE: 11 Yes; 0 No; 0 Abstain

Ron Bates - Yes

Allison Budlong – Yes

Mike Callagy – Yes

Mark Dixon - Yes

Shana Faber – Yes

Heather Forshey – Yes

John Lambert - Yes

Michael Marylander – Yes

Bernadette Murray – Yes

Sean Thuilliez – Yes

Jeff Forman – Yes

4. Report on outreach for appointment of city attorney position

Ahmos Netanel reported that as of the extended deadline of today there have been no responses. Ron Bates requested that the CEO and Beverly May reach out to some of the attorneys for cities that have been drafting effective massage ordinances. Mr. Bates asked the Board to consider requesting that the Sunset bill allow acceptance of county counsels. It will be agendized for the June meeting.

5. Treasurer's report

- **Applications received** – total number of new applications received in 2019 has more than doubled (269%) and the total number of certificate holders is up by over 1,000, with the total number of certificate holders about 50,000. Approximately 75% of all fees are for recertification. Ron Bates asked to bring back to the next meeting a discussion of whether to recommend that the legislature re-instate the exam requirement.
- **Financial statements** – 2019 revenue better than expected, expenses are similar to the budget so net income is up as well as cash on hand. Recertifications have dropped to the lowest in 5 years but were offset by the increase in new applications.

MOTION 02202020:2 Bates/Callagy - Motion to approve the Treasurer's Report

MOTION PASSES

ROLL CALL VOTE: 11 Yes; 0 No; 0 Abstain

Ron Bates - Yes

Allison Budlong – Yes

Mike Callagy – Yes

Mark Dixon - Yes

Shana Faber – Yes

Heather Forshey – Yes

John Lambert - Yes

Michael Marylander – Yes

Bernadette Murray – Yes

Sean Thuilliez – Yes

Jeff Forman – Yes

6. 2020 budget

MOTION 02202020:3 Bates/Forshey - Motion to approve the 2020 Budget

MOTION PASSES

ROLL CALL VOTE: 11 Yes; 0 No; 0 Abstain

Ron Bates - Yes

Allison Budlong – Yes

Mike Callagy – Yes

Mark Dixon - Yes

Shana Faber – Yes

Heather Forshey – Yes

John Lambert - Yes

Michael Marylander – Yes

Bernadette Murray – Yes

Sean Thuilliez – Yes

Jeff Forman – Yes

7. Employee benefits

Ahmos Netanel introduced Vijay Ahuja from a firm that specializes in structuring employee retirement plans. There are two draft resolutions in the Board packet. The proposed plan allows all employees working 20 hours per week or more to voluntarily contribute their own pre- or post-tax dollars to a 403(b) plan. Mr. Ahuja and Mr. Netanel have narrowed down providers to Principal Financial. Vesting is at 20% after 2 years to 100% at 6 years. If the Board chooses to contribute as well, eligible employees must be employed for at least one year. Vijay discussed the various options for employer contributions. Choices are for CAMTC to match employee contributions to a specified limit or to create a non-elective contribution made by CAMTC.

In 2020 California created the CalSavers program which will apply to CAMTC by 2022 unless CAMTC's own plan is implemented to replace it.

MOTION 02202020:4 Bates/Budlong - Motion to approve the first Resolution to establish a 403 (b) plan

MOTION PASSES

ROLL CALL VOTE: 11 Yes; 0 No; 0 Abstain

Ron Bates - Yes

Allison Budlong – Yes

Mike Callagy – Yes

Mark Dixon - Yes

Shana Faber – Yes

Heather Forshey – Yes

John Lambert - Yes

Michael Marylander – Yes

Bernadette Murray – Yes

Sean Thuilliez – Yes

Jeff Forman – Yes

MOTION 02202020:5 Bates/Callagy - Motion to approve the second resolution beginning with “Whereas California Massage Therapy Council (“the Employer”) a 501(c)(3) organization in the State of California hereby consents to the adoption of the following..... including no more than a total of \$80,000....” with the suggested change of ”general counsel” to “legal counsel”.

MOTION PASSES

ROLL CALL VOTE: 11 Yes; 0 No; 0 Abstain

Ron Bates - Yes

Allison Budlong – Yes

Mike Callagy – Yes

Mark Dixon - Yes

Shana Faber – Yes

Heather Forshey – Yes

John Lambert - Yes

Michael Marylander – Yes

Bernadette Murray – Yes

Sean Thuilliez – Yes

Jeff Forman – Yes

8. Policies and Procedures for the Evaluation of Out-of-State Education

Joe Bob Smith summarized the proposed policy and procedures and the reasons to adopt them.

MOTION 02202020:6 Dixon/Bates - Motion to approve the proposed Policies and Procedures for Evaluation of Out-of-State Education

MOTION PASSES

ROLL CALL VOTE: 10 Yes; 0 No; 1 Abstain

Ron Bates - Yes

Allison Budlong – Yes

Mike Callagy – Yes

Mark Dixon - Yes

Shana Faber – Yes

Heather Forshey – Yes

John Lambert - Yes

Michael Marylander – Yes

Bernadette Murray – Abstain

Sean Thuilliez – Yes

Jeff Forman – Yes

9. Public comments regarding issues not on this agenda/suggested agenda items for future meetings

There were no comments from the public under this item.

10. Audit Committee – update

Sean Thuilliez provided the Audit Committee report and proposed that Ahmos Netanel sign a Letter of Intent to engage the suggested audit firm for one year. Mr. Thuilliez announced that Elna Leonardo has agreed to serve on the audit committee.

Meeting recessed at 12:00 pm for lunch, reconvened at 1:06 pm

11. Proposed updated Board policy and procedure for evaluation of CEO

Bernadette Murray summarized her proposal and her rationale for change. It was suggested by several Board members that it would have been easier to consider a red-lined version. Jill England summarized the differences between the existing and proposed policy.

MOTION 02202020:7 Dixon/Bates - Motion to table the proposed policy and procedure for evaluation of CEO pending submission of a red-lined version after Ms. Murray collaborates with Jill England. Motion fails by virtue of substitute motion 8 that passed in its place.

Motion 02202020:8 Substitute Motion Forman/Budlong - Motion to approve the updated version of the CEO Evaluation that was handed out in redline.

Friendly amendment Murray – B(c) substitute “...Board approved Strategic Priorities...” for “Board determined goals”.

Friendly amendment accepted

Friendly amendment Thuilliez - C(a) – remove language in parentheses, D end with “in closed session” E, remove “Q&A” and end with “as needed”.

Friendly amendment accepted

Friendly amendment Thuilliez - F(d) remove “morale”.

Motion 02202020:8 Substitute Motion Forman/Budlong - Motion to approve the updated version of the CEO Evaluation Procedure that was handed out in redline with all the friendly amendments incorporated.

SUBSTITUTE MOTION 8 PASSES

ROLL CALL VOTE: 10 Yes; 1 No; 0 Abstain

Ron Bates - Yes

Allison Budlong – Yes

Mike Callagy – Yes

Mark Dixon - Yes

Shana Faber – No

Heather Forshey – Yes

John Lambert - Yes

Michael Marylander – Yes

Bernadette Murray – Yes

Sean Thuilliez – Yes

Jeff Forman – Yes

12. Chief Executive Officer's report

CEO Netanel reported that all of the 2019 Strategic Objectives were met. Last four quarters of Performance Measures are in the Board packet along with a new hand-out to massage students. The Sunset document was submitted timely. Jeff Forman and Ron Bates discussed the process for their review.

Public Comment – from Maureen Walter from the Nuad Thai Spa Massage Association of America. Ms. Walter expressed thanks to CAMTC for improved customer service and responsiveness.

13. Legislator of the Year Award

The Legislator of the Year award was presented to Assembly member Ed Chau, author of AB 775 that addresses massage schools that protects students, schools and the public.

14. Director of Governmental Affairs, Anti-Human Trafficking and IT

Beverly May reported that more local governments are requesting a line by line analysis of existing or draft ordinances. Along with Rick McElroy and sometimes Ahmos Netanel there have been more in person meetings to discuss how we can work together. Los Angeles county passed their new ordinance which she believes is an improvement but leaves an unusual loophole. There is a very widespread understanding that human trafficking is a huge issue in massage and that the workers should be treated as possible victims, whether they disclose as such or not. Increasing focus is being directed towards labor trafficking.

15. Director of Operations' report

Jon Walters reported that the charts he submitted support the prior discussion on sustained increases in new applications. All measures of customer service performance have exceeded Board goals.

16. Director of Educational Standards Division's report

Joe Bob Smith reported on the AMTA Schools Summit and the contacts made with a number of schools. He has been invited to present at the FSMTB Executive Director conference in April on CAMTC's school approval program.

17. Director of Law Enforcement Relations' report

Beverly May presented Rick McElroy's report as he was attending a 3-day conference in Sacramento for Sex Crimes Investigators. She discussed his need to continue to conduct trainings throughout the state as law enforcement are regularly rotated into new positions, often without preparing their replacements. His three prong approach when he reaches out to a new jurisdiction is to analyze the number of illicit establishments in the city or county; to offer an in-depth analysis of their existing massage ordinance; and to offer training.

18. Outreach Director's report

Roberta Rolnick summarized the recent and upcoming outreach events. New window seals for schools have been distributed along with Chinese language versions of the brochures for students. One recent event in particular was the South Bay Coalition to End Human Trafficking Symposium on Media Impact of the Human Trafficking Movement, held in San Jose.

19. Items/suggestions from Board members for future meeting agendas

Ahmos announced dates of upcoming Board meetings:

June 9, 2020 in Northern California, likely in Oakland area.

Sept 16 & 17, 2020 in Southern California - Los Angeles area.

November 12, 2020 in Northern California, exact location to be determined.

Bernadette Murray – would like to discuss the customer satisfaction survey data in the Sunset report.

John Lambert would like to discuss the photos on the photo ID cards.

20. Adjourn

Chairman Forman adjourned the meeting at 2:17 p.m.

Minutes Approved: October 1, 2020

Allison Budlong, Secretary