

April 2002

President's Message

Barbara Underwood, Director of Finance/Treasurer, City of Vista

Greetings and Happy Spring To One And All!

It's almost April and the time of year when many of us (at least those of us classified as "weather wimps") are yearning to see more sunshine and warmer weather. It's hard to believe that it has been a month since we all met in San Diego and enjoyed getting together and sharing stories about our latest triumphs and challenges.

It's Budget Time Again! Most of us are already knee-deep in the budget process and looking forward to finishing this task. If your city, like mine, is approaching the second year of a two-year budget cycle, the process is not so arduous – it's more of a review to see if the forecast we saw in our "crystal ball" last year is still accurate or if we need to make some adjustments to stay on track. Many economists predict that we're out of the recession (of course that depends on where you're located in the State of California) and that the times will continue to get better, albeit at a much slower rate than that realized after past recessions. In addition, we have the unresolved issue of the pending State budget deficit and how the gap will be closed. With the latest figures stating that the budget may be out of balance by a whopping \$17.5 billion, I for one don't feel real secure that the State will not suddenly turn again to cities, districts, and counties to help fill

the gaping hole. We must all be ever vigilant and prepared to communicate quickly with our representatives in Sacramento as the time to enact the State budget draws nearer. Don't forget, if you don't voice your concerns, you can't expect Sacramento to heed your cry.

Oregon Conference. I just returned from attending my first out-of-state conference in Sun River, Oregon. Sun River is located in central Oregon near Mt. Bachelor. It is a lovely area which, upon my arrival, I discovered was still covered with snow and very cold. It snowed the first two days I was there, which was a real treat for this native San Diegan to watch the snowflakes fall and magically cover the ground and trees outside. On the day I left, it had all melted and although the area lost some of its magic, it was still a delightful place to attend a conference.

Don't forget to register for the upcoming GASB34 workshops in La Mirada and San Luis Obispo! Registration forms are attached, or visit www.csmfo.org.

In addition, I was struck by how similar the concerns are for California and Oregon finance professionals. We're both contending with the implementation of GASB 34 (something over which we at least have a modicum of control) and development of local budgets with uncertain revenue sources as our State governments are facing significant deficits (an issue over which we believe we have very little control). Oregonians are facing many of the same fiscal issues as we are in California, especially in the area of shrinking dollars for providing essential services. So, don't feel all alone as you worry about how to finance services with the possibility of a state takeaway looming on the horizon, our neighbors are also facing a similar situation. This doesn't, of course, make our job any easier; it just sometimes helps to know that we're not alone.

(continued on page 11)

What's inside...

President's Message	1
Policy Committee Reports	2
Chapter Corner: San Gabriel Valley	3
CSMFO Chapter Chairs List	3
2001-2002 Robert M. Odell Scholarship Recipients Named	4
June GASB34 Workshop in San Luis Obispo	4
Mark Your Calendars	4
Correction to 2002 CSMFO CAFR Winners	4
CSMFO Technology Tip	5
GASB 34 Workshop in La Mirada	5
Chapter Meetings	6
Up the Ladder	9
Professional Services Directory	13

Attachments: GASB 34 Workshop registration forms & fliers

The MiniNews is your newsletter! Take advantage of our monthly publication by sharing with us your ideas. CSMFO is always seeking input from all members on topics in any department section.

Don't forget to visit the website at www.csmfo.org for the latest news!

California Society of Municipal Finance Officers

Officers and Directors

President Barbara Underwood, Vista
President-Elect Tim Hansen
Past President Bill Statler, San Luis Obispo
Secretary/ Frances Medema, League
Treasurer of California Cities

Directors

Mark Alvarado, Monrovia
 Dennis Danner, Newport Beach
 Mike Dennis, Santa Monica
 Zane Johnston, Tracy
 Ken Nordhoff, San Rafael
 Janet Salvetti, Stockton

Special District Liaison

Eldon Boone, Vista Irrigation District

Committees

Administration

Gary Hill, Lancaster
 Richard Averett, San Carlos
 Irwin Bornstein, Mission Viejo

Annual Seminar

Dennis Danner, Newport Beach
 Don Rhodes, Monterey
 Bill Statler, San Luis Obispo

Budgeting & Management Reporting

Joan Michaels, Burbank
 Carol Montag, Inland Empire Util. Agency
 David Cain, City of Chino
 Valerie DePeel, City of Roseville
 Anita Lawrence, Camarillo

Career Development

Carolyn Dominguez, San Luis Obispo
 Lisa Hildabrand, Carlsbad
 Viki Copeland, Hermosa Beach
 Ronnie Campbell, Lakewood
 Mary Bradley, Sunnyvale

Debt, Retirement and Treasury

Bradley Grant, Merced
 Barbara Hennessy, Long Beach
 Howard Longballa, Alhambra

Intergovernmental Relations

Gary Nordquist, Fontana
 Craig Graves, Coachella
 Bob Torrez, Long Beach

Professional & Technical Standards

Bret Plumlee, El Segundo
 Bill Thomas, Petaluma
 Karen Brust, San Diego Water Authority
 Derek Hanway, Burbank

Technology

Josh Betta, South Pasadena
 Linda Downing, Marina
 Mark Alvarado, Monrovia

Scholarship Program

Robert S. Biery, Westlake Village
 Candis Hong, Thousand Oaks

Policy Committee Reports

The League of California Cities' eight Policy Committees met in Ontario on March 21 and 22 to discuss key legislation requiring policy discussions and other policy issues in each area. Each committee has a representative from CSMFO and the League Fiscal Officer Department; these representatives have submitted the following summary reports from these meetings. The next policy committee meetings are scheduled for August 16, 2002, in Sacramento. Copies of agendas and meeting highlights are available on the League website at www.cacities.org.

Administrative Services Committee

Robert J. Franz, Glendale

The Committee reviewed the 2002 League priorities and the Committee's work program to determine where the Committee could contribute to the grassroots effort and the three top priorities that have been established by the League for the year 2002. The Committee anticipates working on the grassroots network as well as the efforts involving protecting City revenues.

The legislation being monitored by the Committee falls into two primary categories this year. First is election cleanup and second is legislation related to public records. Regarding election cleanup, the Committee is "watching" two bills. No position has been taken since they have not developed specific final language at this point. Public records requests and Brown Act issues are more prevalent in several bills being monitored by the Committee. Of particular note is SCA 7 (Senator Burton), which is a proposed constitutional amendment to the Public Records Act. As currently written, SCA 7 is opposed by the Committee. It would potentially require the disclosure of performance evaluation of public employees; disclosure of security plans for sensitive public structures, disclosure of City position on real property negotiations, and, lastly would result in increased litigation. This measure is being supported by both of the California Newspaper Publishers Association (CNPA) and the First Amendment Coalition. There have been court cases lost in recent years on Public Records Act requests and the proponents are using these losses to bolster their request for a new law. Attention has been drawn to records request issues by the State of California's energy contracts negotiated last year, former Insurance Commissioner Quackenbush's activities, and the Enron Corporation involvement in lobbying. This is a bill for all of us to watch closely.

Community Services Policy Committee

Jim Koser - Morro Bay, & Gary Nordquist - Fontana

The meeting began with a discussion of SB 1393 (Romero). Arsenic Treated Wood. Playground Equipment. The proposed legislation would ban the use of wood treated with arsenic for preservative purposes. The bill would also ban use of wood chips made from arsenic treated wood. The committee supported eliminating hazardous materials from play areas but had concerns with a January 1, 2003 effective date being too soon for cities to respond thereby creating liability issues. The committee also had concerns with how local governments would find funding. In the end, the committee voted unanimously to support SB 1393 with the proviso that League lobbyists suggest language (a) to prioritize funding grants from Prop 40 funds to pay for the expenses, and (b) to provide for assessment and corrective action over a 3-year period.

(continued on page 7)

Chapter Corner: San Gabriel Valley

Josh Betta - Finance Director/Treasurer, City of South Pasadena

Tracey Hause - Finance Director, City of Arcadia

We recently had the good fortune of hosting the erudite and ever-in-demand Tim Schaefer of Fieldman, Rolapp & Associates as a luncheon speaker. With Tim's permission, we summarize his presentation below.

Six Steps to An Effective Capital Plan

(1) Establishing Goals

Understanding the role of your planning horizon. It makes little sense to try to plan for a ten- or twenty-year horizon if innovation, technology, demographics or legislative threats to the plan occur often.

Integrating the use (or lack thereof) of reserves in the process. The key is to make the reserve accumulation or depletion work in harmony with the capital plan, the operating budget and the risk management philosophy of the agency.

(2) Assessing Needs

Understanding the iterative nature of implementing the CIP. Great benefit can be derived from the repetitive process of reviewing and updating the CIP annually. By doing so, the capital plan is tempered by current information on the financial and political priorities of the agency.

The needs assessment is the foundation for virtually all of the decisions that will arise in the capital planning process. Needs assessment should rely on a comprehensive inventory of capital assets already owned, an estimate of their remaining useful lives, and a solid understanding of the requirements for the future.

Useful tools in the operation of the needs assessment may include community focus groups or commissions, local and regional

planning agency studies, staff input, and reviews by engineering, accounting and legal experts.

(3) The Strategic Decision – Buy or Borrow?

“Pay-as-you-go” or “pay-as-you-require” strategies rest on the inherent fiscal conservatism of an approach that says “a dollar not borrowed is a dollar on which interest need not be paid.”

“Pay-as-you-use” proponents usually argue that the agency's stakeholders should “pay” for the assets required to deliver the goods or services of the agency over a time horizon that closely mirrors the useful life of those assets. Most agencies use a blended approach. In the end, the decision is often dictated as much by affordability as it is by philosophy. Few public bodies can afford (in either a political

(continued on page 5)

CSMFO Chapter Chairs

Chapter Assistant - Amy Johnson, League of California Cities 916/658-8210 or johnsona@cacities.org

Chapter	Chairperson	Telephone	Email Address
Central Coast	Rachelle Rickard	805/461-5014	rrickard@atascadero.org
Central Los Angeles	Robert S. Ridley	562/801-4395	bridley@pico-rivera.org
Central Valley	John C. French	209/357-6311	jfrench@data.co.merced.ca.us
Channel Counties	Candis Hong	805/449-2241	chong@toaks.org
Channel Counties	Lucy Foster	805/449-2100	lfoster@toaks.org
Coachella Valley	Duane Bambusch	760/346-2489	dbambusch@aol.com
Desert Mountain	Kevin Smith	760/240-7000	ksmith@applevalley.org
East Bay (S.F.)	Richard Ricci	925/671-5219	rricci@ci.pleasant-hill.ca.us
Imperial County	Philip Carr	760/337-4550	pcarr@ci.el-centro.ca.us
Inland Empire	Lisa Strong	909/350-7671	lstrong@fontana.org
Monterey Bay	Daphne Hodgson	831/899-6346	dhodgson@ci.seaside.ca.us
North Coast	Jim McAdler	707/838-5354	jmcadler@townofwindsor.com
Northeast Counties	Steve Strong	530/225-4087	sstrong@ci.redding.ca.us
Northwest Counties	Carolynn Thomas	707/441-4114	cjthomas@eurekaweb.com
Orange County	Darren Hernandez	562/905-9730	darren_hernandez@lahabracity.com
Peninsula	Thomas Fil	650/595-7435	tfil@ci.belmont.ca.us
Sacramento Valley	Barbara Brock	916/645-3314	bbrock@ci.lincoln.ca.us
Sacramento Valley	Susan Mahoney	916/725-2448	smahoney@ci.citrus-heights.ca.us
San Diego County	Suzanne Wellcome	858/755-9354	swellcome@delmar.ca.us
San Gabriel Valley	Josh Betta	626/403-7250	jbetta@ci.south-pasadena.ca.us
San Gabriel Valley	Tracey Hause	626/574-5400	thause@ci.arcadia.ca.us
South Bay	Gavin Curran	310/524-2315	gcurran@elsegundo.org
South San Joaquin	Sandra Montoya	559/713-4423	smontoya@ci.visalia.ca.us

2001-2002 Robert M. Odell Scholarship Recipients Named

CSMFO is proud to announce that it has awarded eight \$1,500 scholarships for the 2001-2002 academic year to the following students enrolled in California State University schools:

Ms. Sandra Annette Becerra - California State University, San Bernardino

Ms. Helen Eunjung Chung - California State University, Fullerton

Mr. Pastor Claudio Guevara - California State University, Los Angeles

Mr. Jeffrey Guiditta - California State University, Long Beach

Ms. DaVina J. Hoyt - California State University, Bakersfield

Ms. Sandra Denise Kretschmar - San Diego State University

Mr. Samuel Priego - California State University, Dominguez Hills

Mr. Hubert S. Samia - California State Polytechnic University, Pomona

The recipients were invited to attend the CSMFO Annual Conference in San Diego in February.

The membership and Board take special pride in the Odell program. Of every dollar contributed, 100% goes to the scholarship program (including the interest earned on unspent funds). To date, 100 scholarships have been awarded. Up to eight \$1,500 scholarships are awarded each year through the California State University Foundation. Annual awards alternate between northern and southern California campuses.

CSMFO established the Robert M. Odell Scholarship Fund in April 1987 to honor the former City Treasurer of Los Angeles. If you would like to make a contribution, please contact Frances Medema of CSMFO at 916/658-8218 or medemaf@cacities.org.

June GASB 34 Workshop in San Luis Obispo

We are pleased to announce that we have secured the Veteran's Building in San Luis Obispo for the upcoming GASB 34 workshop on June 24-26, 2002.

As attendance is limited to 100 people, we recommend that you register as quickly as possible. Please remember that we now accept credit card payments. To pay by credit card, simply fill out your registration form and fax it to Adrienne Schmeling at 916/658-8240. **If you are paying by check,**

please do not fax in your registration form, but send it in with your check, as we cannot reserve a spot for you without payment.

Attached to this newsletter you will find the flier and registration form for the June workshop. Should you have any questions, please feel free to contact Adrienne Schmeling at 916/658-8278 or schmeling@cacities.org.

We look forward to seeing you in San Luis Obispo!

MARK YOUR CALENDARS



Annual Legislative Seminar

May 30, 2002

*Sacramento Convention Center
Sacramento, CA*

GASB 34 Training

April 29 - May 1, 2002

*La Mirada Civic Center
La Mirada, CA*

(registration form attached)

June 24 - 26, 2002

*Veteran's Building
San Luis Obispo, CA*

(registration form attached)

October 14 - 16, 2002

Northern California

Please visit www.csmfo.org for more information.

Related Organizations GFOA Annual Conference

June 16-19, 2002

*Denver, CO
www.gfoa.org*

Correction to 2002 CSMFO CAFR Award Winners

Belated congratulations to the City of Malibu, who received a CAFR award for their FY 2000-2001 Budget, but were omitted from the final list printed in last month's newsletter.

Chapter Corner *(cont'd from page 3)*

or economic sense) to pay cash for all capital assets. Similarly, financing of smaller capital goods, or those with short or uncertain useful lives, is also inefficient.

(4) Identify Methods Available for Financing

Give thought to the collateral aspects of decisions. For example, if an asset is to be procured for cash, and the cash has been set aside in a reserve for that purpose, a decision still must be made regarding restoration of that reserve.

Choosing to issue debt is a tactical decision. Many things must be established in a financing plan: the form of debt needs to be selected, fixed or variable rate; term of the debt; repayment terms; methods of sale, etc.

(5) Designing the Loan – The Tactical Plan

Basic choices include borrowing from banks or private lenders or public offerings; lease financing; or “pooled” financings with similarly situated agencies designed to increase efficiencies of scale.

This element of the capital plan should also carefully consider other needs within the strategic plan when pledging assets or revenues to lenders. A generous package to a lender on today’s asset may make tomorrow’s asset financing problematic or impossible.

The key is to ensure that each tactical financing plan within the CIP works harmoniously with other elements of the plan and is flexible enough to allow for the inherently changing nature of the capital plan.

(6) Organizing the Approach

The successful capital planning process looks a great deal like the successful budgeting process: it clearly articulates goals and objectives of the organization to all stakeholders; it relies on accurate and unbiased assessment of needs; it provides for a “vetting” of the desired assets to distinguish between “wants” and “needs;” it is written down and shared with the agency’s stakeholders; it is revisited often and provisions for amending it are straightforward; it

incorporates period analysis of results and achievements for oversight.

Summary

The Capital Improvement Program is the *strategic plan* for the acquisition and implementation of capital assets. The CIP should contemplate how those goods will be paid for – cash or debt – and should establish order and timing. The financing plan is the *tactical plan* that focuses on individual acquisitions and how to pay for them.

Further Reading

Recommended Budget Practices. GFOA, 1998.

Municipal Bonds: Planning, Sale and Administration. Municipal Finance Officers Association, 1982.

Long-Term Financial Planning: Creative Strategies for Local Government. ICMA, 1987.

Capital Financing Strategies for Local Governments. ICMA, 1983.

Creating and Financing Public Enterprises. GFOA, 1984.

CSMFO Technology Tip

Josh Betta, South Pasadena & Linda Downing, Marina
CSMFO Technology Committee

Double-Click Problems

If you’re finding that you are having to repeatedly double-click to get Windows to perform an action, you may have your double-click timing too high.

To change this setting, click on Start. Move the cursor up to Settings, which will bring up a pop up screen. Move to Control Panel and single-click. Now locate the mouse icon and double-click. This will open up Mouse Properties screen. Select the Buttons tab. Move the slider located in the bottom half by

selecting and dragging toward the slower end. You can test the speed by double-clicking the Jack-In-The-Box to get the right speed. If it’s still too fast or too slow, try again. Click Apply when finished, then OK to exit. Close the screen by clicking on X in top right hand corner. You should be back to the desktop.

If you’re interested, there are tabs at the top of the page for Pointers and Motion. By selecting these tabs you can make changes to the way your cursor appears on the screen.

GASB 34 Workshop in La Mirada

Don’t forget to register for the April 29th - May 1st GASB 34 workshop being held in the City of La Mirada! The deadline is Monday, April 15th, and attendance is limited to 100 people.

Attached to this newsletter you will find the flier and registration form for the April/May workshop. You may also find the information on our website at www.csmfo.org. Should you have any questions, please feel free to contact Adrienne Schmeling at 916/658-8278 or schmeling@cacities.org.

We look forward to seeing you in La Mirada. Register now!

Chapter Meetings

Coachella Valley

Duane Bambusch, Chapter Chair
Accountant, City of Indian Wells

Date: Monday, April 15, 2002
Time: 12:00 p.m.
Place: Coachella Valley Association of Governments conference room
73-710 Fred Waring Drive, Palm Desert, CA
Spkr: David Willmon, Grassroots Regional Representative for the League of California Cities, who will discuss the importance of the grassroots effort
Menu: Assorted sandwiches, salad, fruit, chips, dessert and drinks
Cost: \$14.00 per person
RSVP: No later than April 8, 2002 to Liza Bliss at 760/398-3502



Orange County

Darren Hernandez, Chapter Chair
Dir. of Finance/Treas., City of La Habra

Date: Thursday, April 25, 2002
Time: 11:30 a.m.
Place: The Turnip Rose
300 S. Flower Street
Orange, CA
714.978.7021
Spkr: Ann Marie Wallace, Regional Representative - League of California Cities
Topic: Introduction of the League of California Cities' new Grassroots Network and how Finance Officers can help strengthen city advocacy efforts.
Cost: \$25.00 per person. Make check made payable to CSMFO.
RSVP: Veronica Ciocatto-City of La Habra, PO Box 785, La Habra, CA 90633, veronica_ciocatto@lahabracity.com or 562/905-9729, by Monday, April 22, 2002.

North Coast

Jim McAdler, Chapter Chair
Admin Svcs Director, Town of Windsor

Date: Wednesday, April 10, 2002
Time: 11:30 a.m. to 1:30 p.m.
Place: Falkirk Mansion
1408 Mission Avenue
San Rafael, CA
Spkr: Mr. Bryan Barr with the League of California Cities, who is part of the League's grass roots effort to involve cities in the State's programs. Bryan will update us on current State issues including the ongoing budget deliberations, and he will discuss the vital role of local government at the State level. We will also have time for networking and a roundtable discussion of the Chapter's 2002 activities.
Cost: \$12 per person. A catered lunch will be served. You may send a check in payment to Jim McAdler in care of City of San Rafael or bring your payment to the meeting on the 10th.
RSVP: RSVP no later than Wednesday, March 27 to Jim McAdler at (707) 838-5354 or jmcadler@townofwindsor.com.

Orange County

Darren Hernandez, Chapter Chair
Dir. of Finance/Treas., City of La Habra

Date: Thursday, May 30, 2002
Time: 11:30 a.m.
Place: The Turnip Rose
300 S. Flower Street
Orange, CA
714/978-7021
Spkr: Ms. Kay Chandler, CFA
President and Chief Investment Officer, Chandler Asset Management, Inc.
Topic: "Top Ten Things To Do In A Low Interest Rate Environment"
Cost: \$25.00 per person. Make check made payable to CSMFO.
RSVP: Veronica Ciocatto-City of La Habra, PO Box 785, La Habra, CA 90633, veronica_ciocatto@lahabracity.com or 562/905-9729, by Tuesday, May 28, 2002.

Peninsula

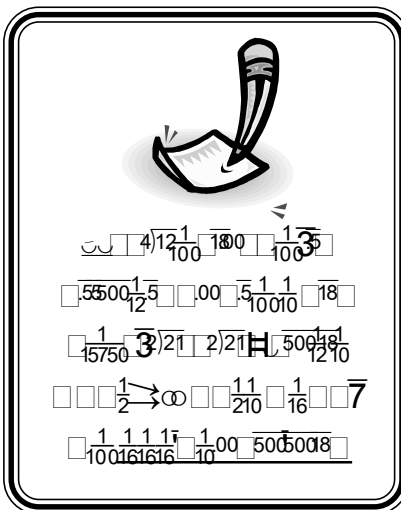
Thomas Fil, Chapter Chair
Finance Director, City of Belmont

The Peninsula Chapter is working on an exciting forum of speakers in June. Look forward to future news on upcoming events! Please contact Nicole Bertelsen at the City of Belmont for future information at 650/595-7433.

San Diego County

Suzanne Wellcome, Chapter Chair
Finance Dir./Treasurer, City of Del Mar

Date: Thursday, April 11, 2002
Time: Mingling starts at 11:30 with lunch at 12:00
Place: Del Mar Hilton
15575 Jimmy Durante Blvd.,
Ballroom C
Del Mar (Via de la Valle exit off I-5)
Spkr: Catherine Hill, the League's Grassroots Coordinator for San Diego and Imperial Counties
Topic: "An Overview of League of California Cities Grassroots Network"
Menu: Grilled pacific salmon
Cost: \$25 for members, \$30 commercial
RSVP: Jay Lipscomb, City of Del Mar, at 858/755-9354



Policy Committee Reports *(cont'd from pg 2)*

Community Services Policy Committee *(cont'd)*

The committee heard from Kathy Limbo, Executive Director, South Bay Community Services, a community-based organization that has develop symbiotic relationships with schools, cities and other non-profits in its area. This was an interesting example of using “partnering” to avoid (1) duplicative services, (2) competition among non-profits for the same dollars and (3) diversifying funding to shield it from funding fluctuations among its sponsor organizations. The committee will continue to monitor skatepark liability, seeking to eliminate the existing sunset provision.

Employee Relations Policy Committee

Robert F. Locke, Mountain View

The Employee Relations policy committee discussed the League’s strategic planning process, committee responsibilities for implementing the strategy, legislation and the role of the Grassroots Network regional coordinators. The highlights of the discussions were as follows.

- ♦ Strategic Planning: Discussion regarding Leagues strategic goals for FY 2001-02 covered in the March, 2002 Western City magazine. Amy Brown, legislative representative, indicated the League was forming closer ties with unions as part of a strategy to strengthen the League’s influence and defend our revenue sources by presenting a more unified position in Sacramento. It was recommended that cities encourage their union representatives, especially police and fire as well as SEIU and others as well, to support the League’s efforts to protect city revenues as it is in the mutual interest of management and labor that by preserving revenues we protect jobs.
- ♦ Regional grassroots representatives – City staff are encouraged to contact them, develop relationships and understand their role. Possibly have them speak at council meetings.
- ♦ Legislation Discussion: The most important Employee Relations bills discussed include the following.
 AB 2908 (Goldberg) - Gives the Public Employment Relations Board jurisdiction to determine the “reasonableness” of local labor rules, not just administrative jurisdiction over an unfair labor charge based on the local rules. Would usurp local control to determine its labor practices. **Oppose.**
 AB 2889 (Shelley) – Essentially, would grant agency shop upon request without election. **Oppose.**
 AB 1974 (Pescetti) – Would permit PERS to create risk pools for cities with less than 100 employees, currently a spot bill. **Watch.**

Environmental Quality Policy Committee

Suzanne Wellcome, Del Mar

At its March 21, 2002 meeting, the EQC reviewed proposed legislation regarding **Solid Waste** and recommended opposition to SB 1587, Solid Waste Facilities, (Romero), and SB 1526, Zero Waste Conversion Technology. Out of State Disposal (Romero). The Committee recommended support for a negotiated 25% credit as opposed to the proposed 10% credit for AB 939 waste as part of AB 1952, Conversion Technology, AB 939 Credit (Bogh). The Committee opposed unless amended SB 1374, Construction & Demolition Waste Local Ordinances (Kuehl) and supported SB 1542, Solid Waste Facilities Environmental Justice (Escutia).

Bills related to **Hazardous Materials**, SB 1393, and SB 1523 received support or support if amended recommendations. A number of bills addressing **Water** issues, primarily those related to water quality issues, also received support including AB 2185, LA Regional Water Quality Control Board, SB 1994, California Clean Communities and Petroleum Pollution Cleanup Act of 2002, SB 1342 Stormwater Permits, AB 2351 Water Quality Mandatory Minimum Penalties. A very controversial bill, AB 1058 Vehicle Emissions Carbon Dioxide Greenhouse Gases, was discussed but no position taken. This bill is related to the Kyoto Accords, which the U.S. has not signed. A presentation on Storm Drain issues related to NPDES permits concluded the meeting.

(continued on page 9)

President's Message

(cont'd from page 1)

Every year when the Board discusses our CSMFO conference (and how expensive it has become to produce), we revisit the appropriate role of vendors and their support. In Oregon, every coffee break, meal, and reception is sponsored by a vendor. They also provide many raffle prizes that are distributed during the banquet. At every general session, the corporate sponsors are acknowledged and thanked. If you have any input regarding the direction CSMFO should follow on this issue, please be sure to let me know your thoughts.

GASB 34 Training. Don't forget the upcoming GASB 34 training session that will be held from April 29th through May 1st in La Mirada. Be sure to visit the CSMFO web site for the latest up-to-date training information.

Legislative Day. Mark your calendars now for the annual Legislative Seminar on May 30, 2002, in Sacramento. This briefing will provide the most current information regarding the State budget. The insight gained at this seminar will help agencies assess if local budgets are on target or if further changes need to be made.

Thought For The Month. As we struggle with new and inventive ways to continue to provide excellent services to our communities, remember the words of Sir Winston Churchill, "A pessimist sees the difficulty in every opportunity; an optimist sees the opportunity in every difficulty." Are you a pessimist or an optimist?

I look forward to seeing all of you in Sacramento on May 30th.

Up the Ladder

ADMINISTRATIVE OFFICER - City of Ontario, CA. The City of Ontario, CA (pop. 158,000) is recognized as the economic heart of the Inland Empire. The City has approx. 950 full time employees and a FY 2001-2002 operating budget of \$224.7 million. The City seeks two energetic, goal-oriented, personable, and ethical individuals to serve as Administrative Officers in the Police and Development Departments. The Administrative Officers perform advanced level professional administrative support and evaluate comprehensive policy, human resources issues, budgets and organizational procedures and services for the City. Candidates should have proven experience in financial analysis, budget preparation & management, and administration. B.A. in public or business administration or closely related field required; M.A., 6 years progressively responsible management experience and knowledge of municipal finance highly desirable. Salary range: \$5,649 - \$6,866/month. Submit resume by 5/3/2002 to Bob Murray, Bob Murray & Associates, 735 Sunrise Ave., Ste. 145, Roseville, CA 95661, (916) 784-9080, fax (916) 784-1985, e-mail apply@bobmurrayassoc.com. Brochure available.

SENIOR ACCOUNTANT - City of Turlock, CA (\$4,476-\$5,440). The City of Turlock, CA (pop 57,000) in the heart of the Central Valley is seeking a management level Accountant to perform a variety of complex accounting and financial analytical work involving City wide accounting systems affecting all operating departments. Requires three years of professional governmental accounting and fiscal work and possession of a Bachelor's Degree in Accounting or a related field. The City offers an attractive benefit plan including PERS 2% @ 55 and a fully paid family health plan. For more information and application, contact Personnel Dept at 156 S. Broadway, Suite 230, Turlock, CA 95380, 209-668-5540 or www.cityofturlock.ca.us. Apply by 4/15/02. EOE.

CONTROLLER - Southern California Association of Governments, Los Angeles, CA. \$93,478-\$140,216 DOQ. Manages Accounting and Finance Division. Requires bachelor's degree in accounting, finance, or related field and eight years finance or accounting experience including four years supervisory & management experience. CPA preferred. Call for required application package. (213) 236-1910 or www.scag.ca.gov. Apply by 4/26/02. EOE.

FINANCE DIRECTOR - City of Santa Paula, CA. Salary: \$68,261 - \$82,972 DOQ. Candidates must have a Bachelor's degree in Accounting, Public/Business Administration or a closely related field and 5 years of progressively responsible experience in all aspects of financial planning and administration, preferably in a local government agency, including 2 years in a supervisory capacity. A Master's degree and/or a CPA certificate and the ability to speak Spanish are desirable. Incumbent must be able to meet bonding requirements. Call for brochure and supplemental questionnaire or visit our website. Apply by April 26, 2002 to: RJA Management Services, Inc. / 550 W. Duarte Rd., Ste. 6 / Arcadia, CA 91007 / (626) 447-3318 / www.rjamanagement.com / EOE

PRINCIPAL MANAGEMENT ANALYST - City of Riverside, CA. Salary \$5260-7050/mo. REQUIREMENTS: The equivalent to a Bachelor's degree (120 semester units) from an accredited college or university with major course work in public or business administration, accounting or a closely related field. At least five years of experience in governmental finance, business process analysis, and implementation and functional maintenance of financial systems, preferably in municipal government. A Master's degree may substitute for one year of experience. APPLY BY: 5:00 pm, Friday, May 17, 2002. Submit a City application (REQUIRED) to: Human Resources Department, 3780 Market St., Riverside, CA 92501. For more information, please visit our website at www.ci.riverside.ca.us or call 909/826-5808. TDD: 909/826-2515 EOE

MANAGEMENT ANALYST II - Santa Clara Valley Water District, Claims Management Unit. SALARY: \$5,353 - \$6,523 per month based on a five-step salary plan. Includes District payment of 7% PERS - Public Employee's Retirement System. FINAL FILING DATE: Friday, April 12, 2002 by 5:00 p.m. Contact: Santa Clara Valley Water District, 408/265-2607 x2085, 5750 Almaden Expwy, San Jose, CA 95118, or: www.valleywater.org. EOE m/f/d/v

ASSISTANT DIRECTOR OF FINANCE & ADMINISTRATIVE SERVICES - City of Daly City, CA. \$101,920 - \$123,890 DOQ; excellent benefits. The Assistant Director of Finance and Administrative Services is the principal Finance Director's associate assisting with managing the functions of finance

(continued on pg 11)

Policy Committee Reports *(cont'd from pg 7)*

Housing, Community & Economic Development Committee

Leslie Suelter, Encinitas

The Committee has three legislative priorities for 2002. The Committee is opposing SB910/SB262 (Dunn) that proposes shifting land use authority over housing elements to the state, and seizing local gas taxes or VLF revenues as a method of enforcement. The Committee is supporting efforts by Assembly member Longville on a comprehensive housing element reform with AB2863. This bill addresses several issues, among them developing fiscal tools and incentives to assist local governments in their efforts to encourage housing and finance the infrastructure to support housing, and establishing ongoing state commitment to funding affordable housing. Along these lines, the Committee is also supporting AB1227 (Burton) and AB1927 (Kehoe) that seek to provide additional tools to local governments to address housing and infrastructure needs.

The committee reviewed and agreed to support if amended SB1509 (Dunn), which would shift property tax back to the local entity for property tax losses for any affordable housing units operated by non-profit agencies approved after 1/1/2003. This bill requires, as a condition of receiving reimbursement, that the local jurisdiction's housing element be determined by the state Department of Housing and Community Development to be in substantial compliance with the existing housing element law. The Committee supported the concept of the property tax reimbursement, consistent with one of its legislative priorities, but directed League staff to negotiate with the author on the language related to the compliance precondition.

Craig Robinson, City of Roseville Assistant City Manager, discussed the pitfalls of AB680 (Steinberg), and challenged the purported benefits, such as smart growth. His presentation pointed out that the legislation does nothing to address growth issues...but gives the state more control over local issues. It redistributes local revenues on a three-pronged formula—1/3: situs; 1/3 population; 1/3 based on meeting undefined mandates. The imposed mandates are related open space, affordable housing, and homeless and domestic violence shelters without addressing the commonly accepted principles of smart growth, such as development paying its way, balanced land use, and investment in infrastructure. This legislation is targeted to cities and counties in the Sacramento region, including El Dorado, Placer, Sacramento, Sutter, Yolo, and Yuba Counties. However, the legislation exempts from the mandates 17 of the 29 agencies in the region. So, although intended as a regional solution, it is not. As an alternative to the revenue redistribution in the bill, Roseville drafted a regional fees proposal that has been presented to the bill's author.

Public Safety Committee

Mary Jo Walker, Santa Clara

Several informative presentations were made to the Committee, including:

- ◆ Racially-Biased Policing - Don Casimere, Director of Police Accountability, Sacramento Police Department, summarized the process and extensive community involvement in his city's recent study entitled the "Vehicle Stop Data Collection Report" which was conducted to determine if racial profiling was evident in stopping traffic violators. The final report, prepared by an independent analyst, concluded that racially-biased profiling was not evident.
- ◆ Homeland Security - Dan Furtado, Vice-Mayor of Campbell, presented a summary from the National League of Cities Homeland Security Taskforce. One of the key demands the taskforce will make to the federal government is to provide direct funding to local governments (the first responders). It should be noted that President Bush has proposed \$3.5 billion in the FY 03 budget for a first responder initiative. There is some discussion that this money could be available through a "block grant" type of disbursement.
- ◆ Fire Department Finance - A briefing paper has been prepared by the Fire Chiefs Department that summarizes the legislative and administrative programs that will enhance funding for Fire Departments. A copy of this report may be obtained through the League.

The following is a summary of the action taken by the Committee on proposed legislation:

(continued on page 10)

Policy Committee Reports *(cont'd from pg 11)*

Public Safety Committee *(cont'd)*

- ◆ AB1917, Mathews (Off-duty Peace Officers Carrying Firearms) - Todd Rogers, Council Member from Lakewood, spoke in support of AB 1917. SUPPORT with amendments for additional training requirement for use of firearms in airplanes and remedies if a business prohibits access to an off-duty officer with a concealed weapon.
- ◆ AB 2018, Nakano (Integrated Public Safety Communications System and Advisory Board) – SUPPORT with amendments to add Santa Clara and to include a city representative on the Board.
- ◆ SB 1959, Polanco (City Audit of Bingo Games Grossing Over \$1,000,000) – OPPOSE (Puts undue administrative burden and expense on City Finance Departments, independent audit costs should be born by charitable organization).
- ◆ SB 1549, Battin (Indian Gaming Special Distribution Fund) SUPPORT with amendment to explicitly prioritize public safety.
- ◆ SB 1528, Vincent (Reduction of Impound days for Shopping Carts) – SUPPORT
- ◆ AB 2133, Goldberg (Law Enforcement Data Collection) – OPPOSE (Puts undue administrative and financial burden on Police Departments)
- ◆ AB 2211, Horton (Community Impact Statement) – SUPPORT
- ◆ SB 1807, Chesbro (Firearms Confiscation in Domestic Violence Cases) – SUPPORT
- ◆ AB 2499, Frommer (Criminal Procedure – Domestic Violence and Sexual Abuse Records) SUPPORT

Revenue & Taxation Policy Committee

Bob Biery, Westlake Village, & Mary Bradley, Sunnyvale

- ◆ Presentation by Assembly Member Lynn Daucher (former member of LCC R&T Comm.) on her bill AB1939 relating to local government finance. She stated that her bill “creates the Local Agency Empowerment Act of 2002, a voluntary program that:
 1. Empowers local governments;
 2. Discourages fiscalization of land use;
 3. Promotes cooperation among local governments;
 4. Provides dollars for affordable housing;
 5. Restores fairness and rationality to California’s 30-year-old property tax allocation formula.”

After the presentation and the discussion that followed, the Committee recommended a support position on the bill by majority vote.

- ◆ Presentation by Dan Flynn from Assembly Member Wiggin’s staff on AB2878 also relating to local government finance. Committee recommended an oppose position.
- ◆ Presentation by John Russo, First VP LCC, and Chris McKenzie, Executive Director LCC, on proposed ballot measure and SB680. The LCC Board of Directors has determined that the conditions were not favorable to proceed with a ballot measure at this time, but may consider such an action for March 2004. The League has had some discussion with the author of AB680 (Steinberg) about the possibility of revising the bill to include provisions for local government constitutional revenue protection. The Committee took action to recommend continued opposition to the original form of AB680 and authorized staff to continue to work with the author for constitutional revenue protection.
- ◆ Presentation by Charles Summerell, Institute for Local Self Government, relating to 2001 report, *The Fiscal Condition of California Cities*. All cities should have received copy of the report.
- ◆ State Board of Equalization Task Force (Dave McPherson/Glenn Everoad) provided an update on regulations that the SBE is considering at this time. Often these regulations have more fiscal impact on cities than bills that the legislature enacts.

CSMFO MiniNews



1400 K Street, Suite 400
Sacramento, CA 95814

Contact: Amy Johnson

Phone: 916/658-8210

Fax: 916/658-8240

E-mail: johnsona@cacities.org

Website: www.csmfo.org

Up the Ladder

(cont'd from page 8)

administration, accounting, budgeting, and a wide range of administrative services. The Assistant Director's responsibilities involve direct or indirect supervision in all department functions with primary emphasis on budgeting and financial analysis. Requires a BS/BA, with a major in Accounting, Business or Public Administration, Finance, Information Systems or related field and 4 years of professional, increasingly responsible experience in several of the functional finance areas of the Department; at least 3 of the 4 years shall have been in a supervisory position. Governmental experience is desirable. A CPA certificate and/or Master's Degree are desirable. To receive an application contact: City of Daly City HR Department, 295-89th Street #105, Daly City, CA 94015, 650/991-8028. Apply by June 19, 2002. Résumés not accepted in lieu of City Application. Apply immediately. Initial interviews may be held and appointment decisions made at any time during the recruitment. EOE/AA

HELP WANTED

How Can I Advertise?

Email your classified job ad to Amy Johnson at johnsona@cacities.org (rich text or plain text format only). The charge to advertise is \$8.00 per 40-character line. Please also include billing information, or indicate if you wish to pay via credit card. Ads must be received by the 25th of each month for the next month's insertion.

Professional Services Directory

CAMP

CALIFORNIA ASSET
MANAGEMENT PROGRAM
Joint Powers Authority

An Investment Management Program for
General Funds and Bond Proceeds
Run by and for California Public Agencies
Since 1989

(800) 729-7665
camponline.com

MBIA
Customized Asset Management

**MBIA Municipal Investors Service
Corporation can meet your
investment needs.**

- Comprehensive approach to investing
- Customized portfolio management strategies
- Development of all aspects of investment programs

For more information about our services,
please contact:

Gay Eichhoff
11460 Grassy Trail Drive
San Diego, CA 92127
(888) 982-2252

cam
customized asset management
it's about time

**UNION
BANK OF
CALIFORNIA**

Corporate Trust
Municipal Custody

ANDY JEREMI
VICE PRESIDENT
SAN FRANCISCO
(415) 296-6435
andy.jeremi@uboc.com

CARL BOYD
VICE PRESIDENT
LOS ANGELES
(213) 972-5683
carl.boyd@uboc.com

**B
W** Bartle Wells
Associates

Independent Public Finance Advisors

- Financial Planning
- Utility Rate Studies
- Energy Consulting
- Bond Marketing

510.653.3399
www.bartlewells.com
Berkeley, California

ABAG

FINANCIAL SERVICES

Providing Economical Conduit
Financing for Cities, Counties,
Special Districts & Nonprofits

510-464-7932
abagbonds.org

MAXIMUS

MANAGEMENT SERVICES DIVISION
(formerly DMG-MAXIMUS)

- GASB 34 IMPLEMENTATION
- REVENUE ENHANCEMENT
- MANDATED COST CLAIMING (SB 90)
- COST OF SERVICE ANALYSIS
- MANAGEMENT STUDIES
- TECHNOLOGY CONSULTING

4320 Auburn Blvd., Suite 2000 • Sacramento, CA 95841
www.dmgmaximus.com

Sacramento 916.485.8102 Oakland 510.635.3777 Irvine 949.440.0845

(continued on next page)

Professional Services Directory *(cont'd from previous page)*



SymPro

Investment & Debt Software

- Professional Reporting
- Standardized Workflow
- Automated Market Pricing
- One day Implementation

Providing solutions for over 15 years

Call for Free Trial

1-888-479-6776

CHANDLER *Asset Management, Inc.*

Specialists in fixed income
portfolio management for local
agencies

Kay Chandler, CFA

9255 Towne Centre Drive, Suite 350
San Diego, CA 92121
(800) 317-4747

& Revenue 714.992.9020 **Cost** **Specialists, LLC**

Serving Local Governments Since 1975

- **Comprehensive Fee Analysis**
- **Development Impact Fees**
- **Master Facilities Plans**
- **Capital Financing Plans**
- **Long Range Financial Plans**
- **Cost Allocation Plans**

2545 E. Chapman Avenue • Suite #103
Fullerton, CA 92831

...Making Public Projects Happen

Construction
Management

Financial/Assessment
Engineering

Asset/Pavement Program
Management

Civil Engineering



Harris & Associates

800.827.4901 www.harris-assoc.com



Investment Banking
Investment Strategies

*A full service investment banking firm
providing bond underwriting and financial
advisory services to public agencies.*

2950 Buskirk Avenue, Suite 165
Walnut Creek, CA 94596
(925) 939-0833 Fax (925) 939-0834



KELLING, NORTHCROSS & NOBRIGA

Providing Financial Services to Public Agencies

1333 Broadway, Suite 1000
Oakland, CA 94612

Web Address: www.knnc.com

E-Mail: info@knnc.com

510-839-8200

A Division of Zions First National Bank

Water and Wastewater Financing Available

For more information, please call
1.800.650.6007
www.ebondpool.com



iBONDVU

- Fixed income pricing and analysis
- Real-time portfolio pricing
- Treasury, Agency, MBS, Corporate markets and descriptions
- Inexpensive fixed income data
- Browser-based for easy, anywhere connection
- Yield curve

Call for a trial

1.800.345.1849

x12090

Advantage Rebar

District Administration Services

District Formation & Special Projects

Economic Development & Growth Management

MuniFinancial

Financial & Economic Consulting

Investment Consulting

Municipal Disclosure

800.714.4141 (toll-free) • www.muni.com

**Public
Financial
Management**



*Investment Advisors Exclusively
to Public Agencies Since 1980*

San Francisco
(415) 982-5544

Newport Beach
(949) 721-9422



**NBS Government
Finance Group**



in celebration
At our five-year anniversary,
we would like to thank all of
our valued clients.

800-676-7516
www.nbsgfg.com

**Provide More Services
For Less Money**



Procurement Consulting

Purchasing Audits
Inventory/Warehouse Management

Contract Negotiations

Service Contracts • Capital Equipment

e-Procurement Management

Waste Water & Municipal Agency Specialists

Procurement Services 760.607.1208