



SEPTEMBER 2008

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President’s Message

— **Viki Copeland**, City of Hermosa Beach Finance Director, 2008 CSMFO President

Greetings! I hope you all had a terrific Labor Day Weekend! Labor Day signifies the end of summer for much of the U.S. but I’m not sure it works here in California. Either way, it’s hard to believe September is here.

Pig in a Poke?

I don’t want to let the cat out of the bag but Career Development is working on CSMFO’s first webinar which is so exciting that it’s hard to keep it a secret. The Board is always interested in enhancing training opportunities and the Career Development Committee is very familiar with the challenge of offering training around the state in a variety of venues and remote areas. Webinars would address some of these issues quite nicely and, being a gas-saver, it’s also a “green” activity. Watch for notice of the event in the next month or so.

Do you ever wonder, when you use a saying like “letting the cat out of the bag”, where that phrase came from? I did and here’s what I found.

There are two possibilities. One refers to the cat o’ nine tails which was kept in a bag and used to flog undisciplined sailors. Since the meaning of “letting the cat out of the bag” is to disclose a secret, that explanation doesn’t

make much sense. The more likely explanation has to do with another saying, “a pig in a poke”, which refers to a deal that is foolishly accepted without being examined first. A poke is a small sack and is the origin of the word pocket, just the sort of bag that would be useful for carrying a pig to market. A pig that’s in a poke may turn out to be no pig at all. If a merchant tried to cheat by substituting a lower value animal (such as a cat), the trick could be uncovered by letting “the cat out of the bag”. More than you ever wanted to know?

Chapter Meetings

I had the pleasure of attending the South Bay-Central Los Angeles chapter meeting last month. I haven’t been getting to those as often as I would like and it was a great reminder of the opportunity our chapter meetings offer to get timely information, hear some good speakers and talk to those who are dealing with a lot of the same issues as we are. Sometimes we forget how valuable the meetings are. Mike Whitehead, the South Bay Chapter Chair, is a great host (he has his own radio show so I guess he knows something about hosting) and the meeting location in Redondo Beach at the Blue Water Grill with a view of King Harbor couldn’t be better. The topic was “A Decade of

CSMFO Chapter Chairs

Central Coast

Jennifer Sorenson, Paso Robles
805-237-3999, jsorenson@prcity.com

Central Los Angeles

Eddie Malonzo, Cerritos
562-916-1369, eddie_malonzo@ci.cerritos.ca.us

Central Valley

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South Bay

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310-377-1577, mike@ci.rolling-hills-estates.ca.us

South San Joaquin

Ronney Wong, City of Fowler
559-834-3113, rwong@ci.fowler.ca.us

President's Message, continued

Change in the Municipal Bond Market" by Marty Nohe, Fieldman, Rolapp & Associates.

I urge all of you to take advantage of the chapter chair meetings to get together and find out what your cohorts in other cities are up to. And don't forget to thank your Chapter Chair for all their hard work.

CSMFO Strategic Planning and Goal Setting

CSMFO is having its annual strategic planning and goal setting on September 11th, followed by a Board meeting the next day, in San Francisco at the site of our 2009 conference, the Westin St. Francis Hotel. Attendees are those who volunteer on behalf of CSMFO; the Board, the Officers and Senior Advisors of the Standing Committees, and this year, for the first time, Chapter Chairs. If you have any thoughts on the future of CSMFO, I would love to hear from you at vopeland@hermosabch.org.

Chapter Chair Highlight

Jennifer Sorenson

City of Paso Robles

Central Coast Chapter Chair

A Santa Maria native, I attended local schools including Allan Hancock Community College and Cal Poly, San Luis Obispo. Began my public service career with the Santa Maria High School District and then accepted a position with Allan Hancock College.

Became discontented with school finance and I decided to get my MBA from the University of La Verne and further my employment opportunities. In 2000, I entered the wonderful world of municipal finance by accepting an Accounting Manager position with the City of Santa Maria, a good decision at the time.

Always longing for a life in the country, my husband and I pulled up stakes, packed up our animal menagerie, and headed to the tiny community of Creston, just east of Paso Robles (almost paradise) in 2003.

Now I enjoy, not only a terrific job as Finance Manager with the City of Paso Robles, but also a wonderful hard working country life, with all the wine I can drink.

It doesn't get any better than this.

CSMFO 2009 Annual Conference

February 17-20, 2009 at the Westin St. Francis in San Francisco

By Tim Seufert

What is there to do in San Francisco, anyway?

The conference schedule is full of rich educational, networking, and entertainment possibilities that you won't want to miss. But, do you wonder what you could do before and after the sessions, and if there is really anything fun to do in San Francisco? Read on...

Within easy walking distance of the conference hotel, there is more than one could do in a year. Wander around Union Square and into Chinatown. Take a cable car ride up the hills in the brisk early morning. Go have a rich coffee drink at Blue Bottle coffee, a microroaster of coffee beans, in the new Mint Plaza at 66 Mint Street. Check out the new Chez Papa Resto in Mint Plaza for lunch or dinner. Take in some live music at the Biscuit N Blues club. Take in some live theater.

Wander down to Market Street, turn left, go past 4th street and into the plaza by the Four Seasons. Here you will find the Museum of Craft and Folk Art, a new Indian Restaurant, the Press Club, and Beard Papa which has cream puffs to die for. If you keep heading south and cross Mission Street, you will find the nice oasis of Yerba Buena Gardens. See the Martin Luther King Jr. memorial fountains. The Samovar Tea lounge is worthy of a stop as you head south. If you cross the bridge over Howard Street, you will find the historic carousel, an ice skating rink, a bowling alley, the Zeum (great for kids), etc.

So, you want to go shopping? Union Square is right outside the door, with boutiques to giant shopping emporiums. If you feel like spending a lot for some nice things, or are still using your home equity line like mad and 'didn't get the memo,' go to the new Barney's or Bloomingdale's for your fix. Zara (think of a Spanish version of The Gap), H&M (think hipster version of Gap from Sweden), or Old Navy will be much easier on the budget.

And don't forget Ghiradelli chocolates for the family and office staff back home!



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Jesse Takahashi, Campbell

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Crystal Alexander, Culver City

Bill Statler, San Luis Obispo

Pauline Marx, San Francisco

Technology

John Adams, Thousand Oaks

Barbara Boswell, Lancaster

Mike Whitehead, Rolling Hills Estates

Mark Moses, Stockton

Thomas Fil, Belmont

Success With Pilot Intern Program – Looking toward the Future of the Finance Profession

By Joan Michaels Aguilar, City of Azusa

Back in the March Mini-News, I wrote an article about getting the next generation excited about the finance profession. CSMFO had previously identified getting college students interested in municipal accounting and the public sector as a valid career choice. I am happy to report that our Pilot Intern program proved to be a positive experience for the City of Azusa.

Success With Intern Program

Marsha Solorio, a Cal Poly, Pomona student pursuing her Bachelor's in Accounting, started in March 2008. She worked up to 20 hours per week, and due to her quick learning skills, she picked up our financial system without formal training! We trained Marsha in multiple areas, from Accounts Payable entry/review to a crash course in governmental accounting/auditing including journal entries and fixed assets research. Special thanks must go to Susan Paragas, Henry Quintero and Ruby Toledo who have worked closely as trainers/assistants with our intern program.

The 08-09 proposed budget included a paid intern position. With management's support, and ultimately, City Council approval, Finance was granted the part-time intern. Marsha has been hired to join the Azusa Finance team and is a great fit, especially during year end close. She has indicated she continues to have an interest in public sector accounting which is good news, and has applications pending at other agencies. (We have no vacancies at this time.)

While this program may not work in smaller agencies, the time investment has been beneficial:

- Current staff stepped up to challenge of training Marsha, ultimately that helped with their workloads
- Local university become more aware of municipal opportunities through outreach
- Lessons learned will help us with any future interns hired as program continues

If there are any agencies interested in additional details, I would be happy to discuss further. E-mail is the best method to reach me jagular@ci.azusa.ca.us.

Separate item

What do you love about your job? Survey Results - This query at SurveyMonkey.com had asked CSMFO members to answer several questions. The great news 94% noted they were very satisfied or satisfied with their current position. Here are some of the other highlights:

- Job stability was the most important reason cited for entering municipal finance, with public service a very close second response
- The diversity offered by finance is very important to respondents followed by interaction and team dynamics
- Respondents did admit to not caring for the political component to their jobs and preferring a more regular schedule
- 84% had experience in the private sector

Differences between OPEB Plans and Pension Plans

By Girard Miller with Carlos Oblites, PFM Asset Management LLC

Because GASB 43 and GASB 45 use similar accounting and actuarial standards for OPEB and pension plans, there is a tendency for municipal officials to assume that OPEB plans are essentially clones or copy-cats of pension plans. However, there are important differences between pension plans and OPEB plans which often require variations in plan design and investment strategies, rather than a “one-size-fits-all” approach. Here are 11 key differences worth considering, especially for today’s start-up plans and trusts. A 6-page white paper with more detail is available by e-mailing Carlos Oblites at oblitesc@pfm.com.

11 Key Differences between OPEB Plans and Pension Plans

- **Constitutional protections.** OPEB typically is not protected constitutionally. As a result, it is easier to change OPEB benefits than pension plans, especially for future service.
- **Risk of runaway costs.** With the exception of limited CPI-driven increases, pension costs are generally fixed. OPEB costs differ in that they are subject to medical inflation and other risks such as increases in the age at which Medicare applies.
- **Current funding status.** Most OPEB plans are start-up trusts and are grossly underfunded; pension funds average 85% funding. These disparities show that different asset allocations may be appropriate.
- **Investment portfolios.** Mature pension funds are fully diversified. Larger pension plans also use institutional, separate account managers. In contrast, OPEB funds are start-up funds with few or no assets, and often use mutual funds for their investment vehicle. Unlike pension funds, however, they can be overweighted in stocks, as OPEB funds tend to be part of young plans.
- **Homogeneity vs. disparity.** Pension plans differ from each other only in their payout formulas and are otherwise very similar to one other. In contrast, OPEB plans have widely divergent benefits, ranging from fully paid benefits with no cost caps, to simply making insurance available at the employer’s cost. One size doesn’t fit all when contemplating an investment solution.
- **OPEB is a secondary benefit.** Pensions are the primary retirement resource for state and local governments. OPEB funding is a secondary resource, designed solely for the purpose of paying post-employment benefits; they are often times easier to install as a defined contribution plan.
- **Actuarial model may not fit.** OPEB is an undefined benefit because of uncontrolled future medical costs. Therefore, defined benefit plan structures are not necessarily in employer’s best interests.
- **Governance.** Pension fund governance often follows specific state laws, typically with a majority control of employees and retirees. Potential conflicts of interest arise when employees and retirees functioning as trustees for plans vote themselves benefits. OPEB plans differ because they are best designed to leave benefits decisions and design changes entirely to employers as the plan sponsor. This puts a heavy emphasis on setting up the correct governance structure for OPEB trusts from the very beginning.
- **Payout and liability streams.** Pension liabilities and payouts follow a linear pattern, whereas OPEB cost patterns follow a ‘barbell’ pattern for many employees. With OPEB, the highest costs often occur before retirees reach Medicare age, and in the final six months of retirees’ lives. As a result, OPEB planning requires more thoughtful asset-liability design.
- **Legislative risks.** Pension plans are mostly immune from federal influence on benefits. Congress could raise the age at which Medicare benefits apply, which would increase OPEB liabilities. There is also the less likely scenario where national healthcare is established. If this were to occur, national health care could reduce OPEB liabilities if extended to state and local government employees.
- **Migration from Defined Benefit (DB) to Defined Contribution (DC) and Hybrid plans.** For primary pensions, most governments retain DB plans because DC plans cannot provide sufficient pension replacement income for Baby Boomers. For OPEB, however, DC plans may be better-suited for new employees and younger employees, so a case can be made for a hybrid DB-DC plan.

Girard Miller is Senior Strategist (310-795-1354) and Carlos Oblites is a Senior Managing Consultant (415-982-5544) at PFM Asset Management LLC, specializing in OPEB strategies and investments.

Revenue Collections: Tune-Up Checklist

By: Susan M. Cotton, CTP, Money Matters Consulting

During this transition time from summer to fall, your agency might avail itself of the opportunity to tune-up its revenue collection program. The following checklist contains steps a government can take to optimize and improve its processes.

Good Funds, Now: The primary objective with revenue collections is to convert the form of payment received (check, ACH, credit/debit card, wire) into good funds, i.e. money that the agency can use right away for payments or investing. The more quickly this is accomplished, the better. For example, if a check is received, but not deposited, then revenue has been generated, but the funds are not usable. Once the check is deposited, then it will take one to three days for the item to clear and become good or collected funds for the agency's use. Checks take the longest to convert to good funds, while wire transfers are good funds upon receipt.

Remote Deposit: One way to deposit checks without having to go to the bank or hire an armored car service is Remote Deposit, whereby the checks to be deposited are scanned and electronically deposited. This service requires scanning equipment and some additional time on the part of agency staff, but can make sense for certain customers based on check volume and deposit composition. Why go to the bank if you don't have to?

Auto Debit: Many utilities, water districts, and other agencies with a large volume of small dollar repetitive payments offer their customers an auto debit program. With auto debit, the payment due is automatically debited (via ACH) from the customer's account each month, saving both the agency and the customer time and money. Auto debit is the most cost-effective way to speed up and enhance revenue collections for repetitive payments.

Returned Item Processing: Returned checks items can hinder the revenue collection process. Receiving the returned item information more quickly can help the agency research the item, correct the situation, and collect the money faster. Banks offer online and imaging services, with the returned item data reported right away and images of the items also readily available. If the agency waits until the returned items are mailed back, it could be too late, with the revenue lost forever.

Lockbox Processing: Lockbox processing enhances revenue collection by outsourcing the process to a bank or other third-party provider. Lockbox processors will perform the following basic functions for an agency: collect remittances from the Post Office, open the mail, scan or key in the coupon information, scan or key in the check information, encode and endorse all of the checks received, deposit the checks to make check clearing deadlines, and create and send an electronic file and/or a hard copy report with information on the items processed each day. Some of the major banks also offer ARC or Accounts Receivable Conversion, whereby the checks received by the lockbox are converted to ACH debits, further enhancing the revenue collection process.

Request the Best: For any significant (i.e., large dollar), non-recurring transactions, agencies should request wire transfers. Nothing beats the security and immediate funds availability that wires provide. Wires are the payment mode for most investment transactions and other types of large dollar transactions. Wire transfer fees are relatively higher on a per-item basis, but these fees can also be negotiated with your bank, especially if the volume is high. Plus, the float savings and increased security can serve to more than offset any higher bank fees.

Checklist: When reviewing your agency's revenue collection program, have you considered the following:

1. Implementing Remote Deposit for daily check deposits?
2. Offering Auto Debit to clients who make monthly payments?
3. Upgrading Returned Item information reporting to enhance collection?
4. Utilizing Lockbox Processing to outsource and speed-up collections?
5. Requesting wire transfers for large dollar transactions?
6. Remembering that revenue doesn't count until it is good (investable) funds!



Central Los Angeles and South Bay Chapters Invite You To Our Next Meeting

Tuesday, September 23, 2008 | 11:30 a.m. to 1:30 p.m.
Cerritos Library, 18025 Bloomfield Avenue, Cerritos, CA 90703
(562) 916-1340

Featured Speaker: Chris Healy, Vice President, Comerica Bank - Merchant Services
Program: "Better, Faster, Cheaper: Municipalities and Merchant Services"

Cost is \$35.00

For reservations please contact either:

Eddie Malonzo, City of Cerritos
(562) 860-0311 ext. 2037
eddie_malonzo@ci.cerritos.ca.us

Mike Whitehead, City of Rolling Hills Estates
(310) 377-1577
mike@ci.rolling-hills-estates.ca.us

Please RSVP by Thursday, September 18, 2008

Please Make Checks Payable to the City of Cerritos (No Shows who RSVP will be Invoiced).

CSMFO Central Valley Chapter Meeting

The City of Tracy will be hosting the CSMFO Central Valley Chapter Meeting at:

Thursday, October 16, 2008 | 12 noon
Grand Theatre Center for the Arts, 715 Central Avenue, Tracy, CA 95376

Featured Speaker: Andrew Belknap, Management Partners
Program: "Budget Balancing Strategies; How Cities are Coping"

Contact Linda Dasse (209) 831-6840 or linda.dasse@ci.tracy.ca.us for information.

Annual Weekend Training Workshop

This years' Annual Weekend Training Workshop is scheduled for November 21-23, 2008 at the Doubletree Hotel, Burlingame, CA. A registration form detailing the specific topics being presented will be available on the CSMFO Website www.csmfo.org September 2, 1008.

Registration is limited and registration deadline is October 17th. A total of 20 hours CPE credit for those who attend all sessions over the 2-1/2 days. Please contact Terrence Beaman (714) 993-8135 or Ronnie Campbell (805) 388-5320 if you have any questions.

We look forward to seeing you in Burlingame/San Francisco Airport!

Inland Empire Chapter Meeting

September 18, 2008 | 11:30 am

Cask and Cleaver, 1333 University Ave, Riverside, CA 92507

Topic: “Lessons Learned Throughout A Career.” In other words, “Why Did It Take So Long to Learn The Lessons Needed in a Career?”

Speaker: Peter M. Bryan, Rancho Cucamonga Fire Chief

Mr. Peter M. Bryan is the Fire Chief for the City of Rancho Cucamonga and the Rancho Cucamonga Fire Protection District. Hired in September 2001 and then promoted to Fire Chief in 2004, he has also been the Fire Chief for the cities of Monrovia and Norco.

- Master of Science—Fire Protection Administration, 1986
- Bachelor of Science—Fire Protection Administration and Technology, 1984
- California State Fire Marshal—Certified Fire Chief and Certified Chief Officer

Cost: \$21 per person
Cash preferred or make check payable to Cask & Cleaver

Stefanie Reyes, City of Rancho Cucamonga
stefanie.reyes@cityofrc.us

Faces and Places

Daniells, Phillips was promoted to Senior Audit Manager at Daniells, Phillips, Vaughan and Bock.

New Members

Brett Bradford, Pisenti & Brinker LLP

Lori King, City of Lone

Nancy Pauley, City of Laguna Beach

Steve Elam, City of Moreno Valley

Cynthia Cordova, San Bernardino Assoc. of governments

Lori Rake, La Palma

Ron Holly, County of Monterey

David Avila, Lawson Software

Maria Dia, Clarus Management Solutions, Inc.

Kathy Rafferty, Irvine

Halley McIlwain, Wells Fargo Bank

Richard DeProspo, Wedbush Morgan Securities



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“Re-Inventing Local Finance Management--Strategies for the 21st Century”

3-4 p.m., Thursday, September 18

DIAL 646-519-5883 [callers' PIN 7592#] or new live audio via the web [powered by Granicus] at www.csmfo.org/coaching “Live Audio and Archives.”

- * Andy Belknap, Regional VP, Management Partners
- * Russ Branson, Admin. Serv. Dir./Treasurer, Roseville
- * Ken Nordhoff, City Manager, San Rafael
- * Bill Statler, Dir. of Finance & IT, San Luis Obispo

1. What changes are occurring that require reevaluation of how we manage local government finances?
2. What are some innovative techniques that agencies are using?
3. What's needed to support these techniques (policy changes, expertise, etc.)
4. What do these developments mean for the roles and skills of finance managers in the future?

We encourage you to ask questions during the panel discussions. If you prefer, you may submit questions anonymously via email to csmfo@donmaruska.com either in advance or during the panel discussion. As moderator for the session, Don Maruska will pose the emailed questions.

- * Please put your phone on mute, except when you are asking a question or making a statement.
- * Do not put the call on hold, especially if you have music or a message that plays and will disrupt other callers.
- * Kindly disable call waiting or other phone features that will interrupt your participation in (and others listening to) the call.

There is no charge to participate in the telephone panel discussion, but callers will bear the costs charged by their carriers to reach the conference number. Alternatively, you can listen via live audio on the web [powered by Granicus] at www.csmfo.org/coaching “Live Audio and Archives.”

Post-Call Group Discussions

Some agencies have organized groups to listen to the calls and discuss the topics after the calls. You can leverage the panel offering into an in-house career development opportunity for your team. Here are some discussion starters:

- a. What structural or other changes are occurring that will require rethinking how we manage finances in our agency?
- b. What innovations do we want to consider?
- c. How can we begin to make progress?

CSMFO provides the Coaching Program as a member benefit. See the “Coaching Corner” at www.csmfo.org/coaching for more resources to boost your career. These include a complimentary, confidential management style analysis report and opportunities for one-to-one coaching with volunteer senior finance professionals. Also, look for special coaching networking events at your local CSMFO Chapter.

Want to be sure that you never miss one of the panel discussions?

Subscribers to CSMFO Podcasts receive recordings of the sessions delivered directly to their iPods, MP3 players, or personal computers for listening at their convenience. You can subscribe to CSMFO Podcasts at <http://podcast.csmfo.org>.

CSMFO Coaching Program: Opportunity is Knocking

Whether you are a seasoned Finance Director or an aspiring Finance Manager, you have undoubtedly heard or read about the impending workforce replacement gap. It is estimated that there are 20 million fewer Gen X'ers to fill positions being vacated by retiring Baby Boomers. This replacement gap is definitely affecting local government. In 1971, 8% of local government managers were over 50. By 2000, this group had grown to 43%. For up and comers this represents significant opportunity. The CSMFO Coaching Program is ready, willing and able to assist by offering relevant and timely bridge calls, chapter networking events, one-to-one coaching, and other essential career development tools. Check out the many resources of the CSMFO Coaching Program at www.csmfo.org/coaching.

For more information on the workforce replacement gap, see “Building the Leadership Pipeline in Local, State and Federal Government” at http://icma.org/documents/cps_pipeline.pdf.

Upcoming Panel Discussions:

* Re-Inventing Local Finance Management—Strategies for the 21st Century
3-4 p.m., Thursday, September 18

* Promoting Economic Development—Keeping the Coffers Full
3-4 p.m., Wednesday, October 15
(webinar co-sponsored with Cal-ICMA Coaching Program) be sure to register for the webinar in advance at www.csmfo.org/coaching.

* Learning from Private Sector Finance Professionals
2-3 p.m., Thursday, November 13

We welcome your feedback. Please contact Don Maruska, CSMFO Coaching Program Director, 805-772-4667, don@donmaruska.com, with questions about program specifics. Kindly share comments and suggestions with Pete Gonda, CSMFO Coaching Program Coordinator, 408-730-7385, pgonda@ci.sunnyvale.ca.us.

Event Listings 2008

Presentation Skills for Finance Professionals

The workshop to be presented is skill-based, in that technique and strategies will be presented and discussed in detail during the morning session, while in the afternoon participants will have the opportunity to plan and deliver a presentation, which will be video-taped. Participants will receive constructive feedback and suggestions from the Consultant and other participants. The opportunity to view your own presentation on videotape and receive positive feedback and suggestions is critical to your success in making presentations.

The Workshop will be presented in three phases:

- Preparing and Organizing the Presentation
- Writing a Presentation Plan
- Delivering and Evaluating the Presentation

Registration Fee: \$250
(includes workshop, materials and lunch)

Time: 8:00 a.m. – 5:00 p.m.

September 16, 2008
City of San Clemente

October 15, 2008
City of Tracy

November 19, 2008
City of Rancho Cucamonga

League of California Cities Director's Report - August 2008

By Irwin Bornstein, Assistant City Manager/Director of Administrative Services, City of Mission Viejo

The fourth Board meeting of the year was held in Santa Cruz on July 25-26, 2008. Here are the highlights of the meeting that may be of most interest to finance officers:

- **Strategic Goal #1, Protect Funding for Vital Community Services:** There was much discussion at the meeting about the State budget and the League's campaign to "Cut Up the Credit Card" to discourage consideration of borrowing local funds to help balance the State budget.
- The Board heard from Assemblymember Laird, who chairs the Assembly Budget Committee. He assured the Board that the Democrats do not support borrowing local funds. Cities were encouraged to agendize their own action on the issue of local borrowing and to contact their local legislators. Cities can find out how much the State has taken from them cumulatively over the years by contacting the website www.cutupthecard.com.
- **Strategic Goal #3, Expand Infrastructure Investment:** As of July 3, 457 of the State's 478 eligible cities had been approved by the Department of Finance to receive their Prop 1B funding allocations, for a total of \$423 million of the \$550 million currently available to cities. The League has also surveyed city managers from cities that have already received their first Prop 1B funding allocation, to determine their capacity to spend the remaining Prop 1B funds. (\$450 million of the original \$1 billion of bond funds for cities remains to be allocated.) The survey documented \$186 million in additional demand, which may increase as additional surveys are returned. The League has shared this information with the Department of Finance in an effort to pursue an additional allocation to cities in FY 2008-09.
- **Strategic Goal #4, Enact Honest and Responsible Eminent Domain Reform:** The Board received a report on its successful campaign to defeat Proposition 98 and pass Proposition 99. The results of the June election were decisive: Prop 98 was defeated by almost the identical margin that Prop 99 was passed, 62% to 38%. League consultants indicate that such a "No-Yes campaign" strategy has never been successful before in California.

In other action, the Board:

- Took positions on several legislative bills pending in the Legislature. Of note are the following positions taken by Board that either differed from the position recommended by a League policy committee or were on bills of particular interest to Finance officers:

Continues on next page

League of California Cities Director's Report - August 2008, continued

- SB 1123 (Wiggins) Public Employee Benefits. This bill implements the Public Employee Post-Employment Benefits Commission's recommendations that seek to increase transparency with regard to public employee benefits through the establishment of a State advisory panel and, as recently amended, would require attendance at a council meeting of the city's actuary if there was a substantial change in benefit or future costs. The League's Employee Relations Committee had voted to oppose this bill unless it was amended to exclude the requirement to establish the State advisory panel, to be known as the California Actuarial Advisory Panel. Due to the general purpose of the bill to improve transparency in employee benefits and because there is no registered opposition to this bill, the Board felt it more appropriate to adopt a "Support if Amended" position.
- AB 697 (Hancock) Financial Assistance, Relocation of Retailers. This bill would generally prohibit a city, after July 1, 2008, from entering into any form of agreement that shifts Bradley-Burns sales tax revenue away from another city in which the retailer still retains a physical presence unless the retailer was expanding its operation with the result that the retailer is conducting comparable operations in both cities. The Board voted to support this bill, consistent with the position taken by the League's Revenue and Taxation Policy Committee. The bill arises from a dispute raised by the cities of Livermore, Industry and San Diego that claim to be losing millions of dollars in sales tax revenue as a result of an economic development agreement entered into between the City of Fillmore and MTS Consulting, but the bill would only affect new agreements after July 1, 2008.
- The Board heard pro and con arguments for two propositions on the November 2008 ballot: Proposition 6 – the Safe Neighborhood Act, and Proposition 11 – Redistricting. On Proposition 6, the League's Revenue and Taxation Committee had voted to recommend that the Board take a "No Position" on this measure, while

the League's Public Safety Committee recommended a "support" position. The Administrative Services Committee recommended a "support" position on Proposition 11. The Board voted to defer taking any position on these propositions until their September meeting.

- Approved amendments to the League's bylaws, to be voted upon by the League membership at the 2008 Annual Conference, which would add one representative from each of the League's four diversity groups ("caucuses") to the League Board of Directors for a two-year term. The representative to the Board from a diversity group must be an elected official.
- Voted to select San Diego as the site for its 2012 Annual Conference.
- Approved a plan to renovate and update the League's headquarters building in downtown Sacramento.

The League plays a vital role in serving the interests of all California cities. The League continues to need the expertise that city finance officers around the State can provide to assist them with their legislative advocacy and other efforts. I encourage you all to attend the League's Annual Conference in Long Beach on September 24-26, and the League's Financial Management Seminar in Anaheim December 3-5.

As my term on the Board draws to a close, I would like to again express my gratitude for allowing me to serve as the Fiscal Officers Department representative to the League's Board of Directors. It has been my honor and pleasure to serve you these past four years. If you would like to find out more about the League or have any questions about this report, please contact me by email at ibornstein@cityofmissionviejo.org.

Job Postings September 2008

Finance Manager, McKinleyville CSD, \$60,000 to \$76,600

Under direction from the General Manager, plans, directs, manages and oversees the activities and operation of the Business Office and finance department, including preparation of the budget, accounting, accounting system maintenance, payroll, financial reporting and audits, assessment district administration, purchasing, fixed asset management, cost allocation administration, grant management and office equipment maintenance; serves as District Treasurer; coordinates assigned activities with other district departments and outside agencies, provides administrative support to the District Manager

APPLY BY: September 5, 2008, by 5:00 pm. interested candidates are required to submit their resume and a completed District application form. Postmarks, faxes or emails are not accepted in lieu of original documents by the closing date. APPLY At: McKinleyville Community Services District, P.O. Box 2037, McKinleyville, CA 95519. For information call 707-839-3251, FAX 707-839-8456 or email mcsdgm@mckinleyvillecsd.com.

Finance Director, City of Sacramento \$113,028 - \$169,548 ANNUALLY

The City of Sacramento is seeking a highly experienced and knowledgeable public finance professional to become the next Director of Finance. Reporting to one of four Assistant City Managers, the Director of Finance will oversee the activities and operations of the Finance Department with resources that include 101.5 authorized FTE and a Department budget of approximately \$8.3 million. The Finance Department provides accounting, budgeting, billing, collection, parking citation, and fee collection services. The Department also handles special projects including campaign finance reform and the revision of the taxicab ordinance.

To be considered for this exceptional career opportunity, submit your resume, three work-related references and current salary by Friday, September 19, 2008 to:

Stuart Satow, CPS Executive Search
241 Lathrop Way
Sacramento, CA 95815
Tel: 916 263-1401
Fax: 916 561-7205
Email: resumes@cps.ca.gov
Website: www.cps.ca.gov/search
City of Sacramento: www.cityofsacramento.org

Financial Services Manager, City of Palos Verdes Estates, \$68,256 - \$85,392 /annually

The City of Palos Verdes Estates is recruiting an experienced and self-motivated person for our award winning Finance Department. Under the direction of the Assistant City Manager, this position supervises two Finance Techs, and performs highly technical accounting functions, general ledger maintenance, month and year-end closings, data preparation input to produce the City's annual budget and audit, and other complex accounting functions.

To Apply:

Submit a City application with resume to:
City of Palos Verdes Estates
340 Palos Verdes Drive West
Palos Verdes Estates, CA 90274
Phone: (310) 378-0383.

Visit www.palosverdes.com/pve for application and further description.

Application Closing Date: Wednesday, September 24, 2008

Finance Director, City of Blaine,WA \$65,328 - \$82,668

For complete job description & instructions for applying, visit Prothman Company at <http://www.prothman.com/Current.htm> or contact Prothman, 3633 136th PL SE, Suite 206, Bellevue, WA 98006; humanresources@prothman.com; ph: 206-368-0050; fax: 206-368-0060.

The City employs 63 FTE's and has a budget of over \$46 million for 2008. There are 8 FTE's in the Finance Department, including the Court Clerk, and the Utility Billing staff who are responsible for maintaining residential and commercial accounts for the City's electric, water, sewer, and stormwater utilities. Under general direction of the City Manager, the Finance Director plans, organizes, evaluates and participates in the functions and activities of the operations of the Finance Department.

Apply by September 21, 2008 (first review, open until filled).

City Controller, City of Long Beach, \$95,000-140,000

Majestically located on the Pacific coast between Los Angeles and Orange County, the City of Long Beach is frequently described as a series of strong, diverse, interwoven smaller neighborhoods within a large city. Under direction of the Director of Financial Management, the City

Job Postings September 2008, continued

Controller plans and directs the City's central accounting and financial record keeping and reporting activities. Responsibilities include General Accounting, Grants Accounting, CIP Accounting and Tidelands Accounting, as well as providing the accounting and financial reporting services for the Redevelopment Agency, Housing Development Corporation, Southeast Resource Recovery Facility (SERRF), Civic Center Authority, three financing authorities, and a number of special assessment districts. Position requires a bachelor's degree in accounting, public administration or business administration, and seven years of progressively responsible experience, three of which have been in a supervisory or management level position with responsibility for financial management. A master's degree and/or CPA are preferable, and knowledge of governmental accounting methodologies is highly desirable. Interested candidates should apply online at www.allianceresourceconsulting.com by September 12, 2008.

For more information, contact Eric Middleton or Nicholas Mesic at (562) 901-0769, or e-mail info@alliancerc.com. EEO/ADA

Deputy Finance Director, City of Pinole
\$80,000-\$100,000

The Deputy Finance Director performs professional accounting duties including the preparation and maintenance of all City-wide financial records and reports, and performs complex accounting and financial analyses. The work involves the performance of many of the financial reporting, reconciliation and planning activities of both City and Redevelopment activities. This position has considerable responsibility over program activities, and wide discretion in the administration of assigned duties.

The successful candidate will have hands-on experience in the complete range of public-sector finance and accounting, including financial statement preparation and methods, and generally accepted accounting principles (GAAP) and Governmental Accounting Standards Board (GASB) pronouncements. This position requires a strong background in internal control and compliance audit principles, practices and methods, and redevelopment accounting and law. The new Deputy Finance Director must have strong presentation skills and the ability to effectively represent the City in meetings with governmental and regulatory agencies, the public and City Council.

Budget Manager, City of Santa Barbara
\$84,835 - \$103,117

The Budget Manager position is primarily responsible for the coordination of the City's two-year financial plan and annual budget. The Budget Manager supervises one

professional level staff position that assists in the more technical aspects of the budget development effort.

While each department prepares their respective budgets, the Budget Manager provides the necessary training and instructions to ensure the budgets are submitted in conformity with adopted policies and practices. In addition, the Budget Manager is responsible for coordinating the production and printing of the budget document.

Other duties include the following: participating in labor negotiations, including calculating the costs of various proposals; administering the City's cable television franchise agreement and related agreements; coordinating the completion of bi-annual fee studies and updates to the citywide cost allocation plan; managing the department's annual performance measurement program; providing staff support to the City's Budget Steering Committee, which sets policy for budget development; and undertaking a variety of departmental and citywide special projects of a financial nature.

To be considered for this exceptional career opportunity, submit application, resume, cover letter with current salary and three work-related references by 5:30 pm on Monday, September 15, 2008 to:

City of Santa Barbara Human Resources
P.O. Box 1990, Santa Barbara, CA 93102-1990
Phone: (805) 564-5316
Email: HR@SantaBarbaraCA.gov
Website: <http://www.santabarbaraca.gov/Government/>
Jobs: <http://www.SantaBarbaraCa.gov>
FAX: (805) 897-1905

Senior Accountant, City of Bellflower
\$5,647 - \$6,863/mo. plus benefits

Under direction, to perform a wide variety of specialized, complex, advanced journey level professional accounting duties in planning, organizing, and reviewing activities related to the management of the City's revenues; to perform and assist with specialized accounting work, financial reporting, budgeting, cash management, fixed assets maintenance, financial and grant audits, and data processing; to oversee and coordinate assigned accounting processes, procedures, and programs; and to provide highly responsible and complex staff assistance to the Assistant Director of Finance.

Finance Director, City of Petaluma
\$9,449.18-\$12,262.43/month

The City of Petaluma is seeking an Interim Finance Director to serve in the position for approximately six (6) months. This person serving in this position will direct, manage,

Job Postings September 2008, continued

and oversee the City's financial activities that include the budget, accounting, financial reporting, payroll, investing, utility billing, revenue collection, and licensing. A current project underway includes a financial services software conversation to Eden Systems.

The ideal candidate will have five (5) years of progressively responsible, professional public sector experience in municipal finance management or municipal administration, including at least three years in a supervisory capacity, or its equivalent and a Bachelor's degree with major course work in public or business administration, finance, accounting, or a related field. A Master's degree is highly desirable. Possession of a valid California Class C driver's license.

If you have any questions, please contact Pamala Robbins, Human Resources at 707-778-4343 or probbins@ci.petaluma.ca.us.

Senior Administrative Analyst, City of West Hollywood, \$6,659-\$8,508/mo. + excellent benefits

The City of West Hollywood is seeking an experienced Senior Administrative Analyst to serve as project manager for various complex projects/programs related to the Facilities & Field Services Division. This position will be expected to take a lead role for major programs and initiatives of the Division and be responsible for evaluating and monitoring the effectiveness of programs while ensuring procedures and policies are being followed. You will oversee the work and budgets of consultants and vendors while coordinating and evaluating requests for proposals (RFP) and bid processes.

The City offers a excellent benefits package including: retirement through (PERS) with the City paying the employee's contribution (2.7% at 55 for the single highest year); City contribution of \$100 a month to 457 deferred compensation plan; a flexible benefits option to cover health, dental and vision insurance; long-term disability and life insurance; domestic partner coverage; vacation, holidays and personal leave and credit union membership. We also offer a 9/80 work week.

To apply: RESUMES ONLY NOT ACCEPTED. Please complete an on-line application and responses to the supplemental questionnaire at www.weho.org/jobs. EOE.

Finance Director, City of South Pasadena \$7,159 - \$9,593

Supervises Finance Department, reviews employees work; performs staff evaluations; instructs staff in policies and

procedures. Oversees City fund accounting, purchasing and payroll systems; assists in coordination of City budget. Compiles/prepares required state and federal reports for various governmental agencies. REQUIREMENTS- BS in Accounting, Business Admin., or a related field; experience with a municipality and Certified as a Public Accountant desirable; five (5) years of increasingly responsible financial experience in accounting and financial work, including at least two years in a public agency; or any equivalent combination of training and experience that provides the required skills, knowledge, and abilities. APPLY BY: 09/25/08, for job announcement or to obtain an application visit www.ci.south-pasadena.ca.us or contact us at: City of South Pasadena, Personnel Office, 1414 Mission Street, 91030.

Assistant Chief Financial Officer, Port of Long Beach, \$117,000 - \$143,000 annually DOQ

We are seeking a dynamic, energetic candidate to lead the revenue, accounting, and contracting operations of the POLB Finance Division. This includes managing resources for funding the Port's capital improvement program, estimated at \$2.6 billion over the next five years. You'll also oversee \$1 billion in outstanding debt and evaluate refunding opportunities and additional debt capacity.

As an enterprise fund, the Port's finances are managed separately from the City of Long Beach. The Port publishes stand-alone financial statements and has its own debt rating. The Division is responsible for all the budgeting, accounting, billing, financial reporting, debt management and contract administration for the Port. Headed by the CFO, the division is budgeted at 25 professional and technical employees and is organized into three sections - Revenue, Accounting, and Contracting/Purchasing. The Port is sustained by annual operating revenue of approximately \$375 million generated from 25 major accounts involving approximately 1,500 invoices per month across a base of 100 customers.

To be considered for this opportunity, please apply on-line at www.polb.com under the Jobs/Employment link. For more information, please contact Don Bradburn, Assistant Director of Human Resources at (562) 590-4129 or bradburn@polb.com. Position closes September 15, 2008. EOE www.polb.com

Accounting Supervisor, City of Emeryville/MESA \$68,880 - \$93,000 annually

The City of Emeryville/MESA is seeking a highly qualified professional to fill a key management role in our

Job Postings September 2008, continued

organization. The Accounting Supervisor works under the direction of the Finance Director/City Treasurer. This position will combine the day-to-day supervision of accounts receivable and business licenses activities with the high level management support needed in the Finance Department for critical projects such as the Comprehensive Annual Financial Report/GASB 34 compliance, rewriting administrative instructions and procedures, assisting in the development and production of the operating and capital budget, handling the revenue audit and compliance requirements, and process analysis (researching process improvement opportunities to enhance the interaction and operation of Finance and other City departments). The position supervises 2.5 FTEs in paraprofessional accounting and/or clerical positions.

If interested you must submit a completed application and a comprehensive resume online at www.CalOpps.org or for a full job announcement visit the city website at www.ci.emeryville.ca.us. If you have additional questions regarding this key management position please call 510-596-3786. THE APPLICATION/RESUME FILING DEADLINE IS, FRIDAY SEP. 19, 2008, AT 5:00 P.M

Finance and Accounting Manager, City of Petaluma, \$6,881-\$8,363/month

Reporting to the Finance Director, the Finance and Accounting Manager is responsible for supervising, planning, and coordinating the activities of a variety of finance and accounting services that include general accounting, accounts payable, payroll, auditing, bond administration, treasury management, and financial reporting. Additionally, this position is responsible for performing accounting and analysis work of a complex nature to assess long-range financial and accounting planning problems and ensure accurate reporting of the City's financial position.

Special qualifications include the ability to:

- Prepare various annual financial reports including the Comprehensive Annual Financial Report (CAFR) and State Controller's reports
- Plan, organize, administer, review, and evaluate the work of others
- Prepare and direct the preparation of account reconciliation, audit schedules, claims, and budget schedules
- Monitor and report on the income and outflow of the various City funds
- Comply with Governmental Accounting Standards Board (GASB) principles as they pertain to the City
- Perform daily cash flow and treasury management
- Act as Liaison with auditors, bankers, consultants, and other public agencies

Application Instructions:

To apply directly online visit www.calopps.org. If the online application process is not convenient for you, you may hand deliver or mail an application, résumé, and supplemental questionnaire to City of Petaluma, Human Resources, 11 English Street, Petaluma, CA 94952. All completed application documents will be reviewed. Additionally, an employment application can be downloaded at <http://cityofpetaluma.net/hr.forms.html>. Qualified candidates will be invited to a personal interview.

If you have any questions, please contact Pamala Robbins, Human Resources Manager at 707-778-4343 or probbins@ci.petaluma.ca.us.

Assistant Director of Finance/Controller, City of Placentia, \$10,225 DOQ/E

The successful candidate should be an individual who can work collaboratively with others and take on complex projects and assignments at all levels of the organization. The Assistant Finance Director/Controller supervises and provides direction to a Senior Accountant, Accountant, Accounting Technician and Accounting Clerks.

The ideal candidate is an experienced, talented professional with a minimum of six (6) years of progressively responsible financial management and accounting experience, including two or more years of supervisory and management experience; as well as graduation from an accredited college or university with major coursework in finance, accounting or a closely related field. CPA is desirable.

The ideal candidate will also have knowledge of theory, principles, practices and techniques of public finance; municipal budgeting principles and practices; treasury and revenue management methods and practices; GASB and applicable federal, State, and local laws, codes and regulations pertaining to financial management practices; generally accepted accounting principles and practices; auditing practices; financial accounting software; principles and practices of management, leadership and supervision.