

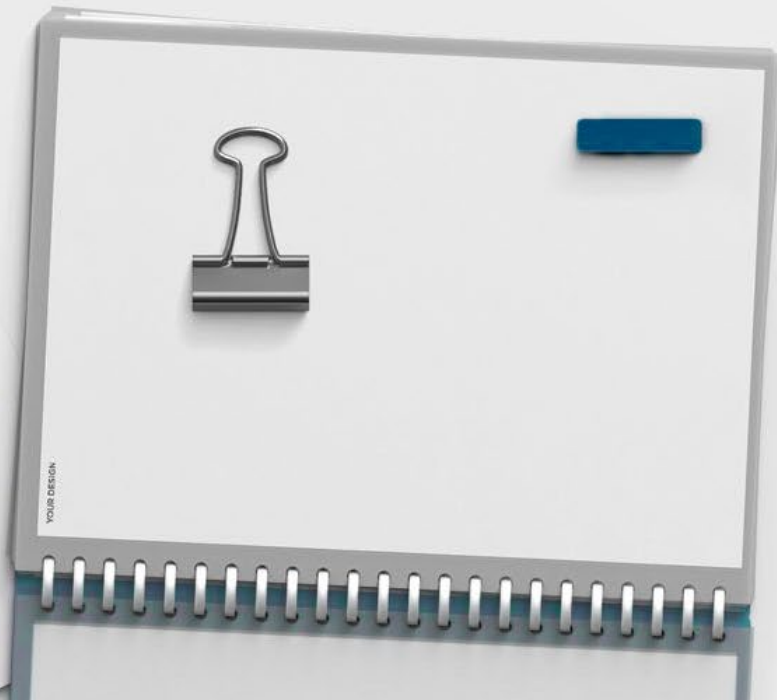
2017 CSMFO ANNUAL REPORT

2017-18 BOARD OF DIRECTORS

President Drew Corbett, City of San Mateo
President-Elect Margaret Moggia, West Basin MWD
Past President John Adams, City of Thousand Oaks
Scott Catlett, City of Yorba Linda
Jimmy Forbis, City of Gilroy
Steve Heide, Chino Valley Independent Fire District
Brent Mason, City of San Bernadino
Karan Reid, City of Concord
Jennifer Wakeman, City of Lafayette

EXECUTIVE DIRECTOR

Melissa Dixon, MBA, CAE





PRESIDENT'S REPORT

DREW CORBETT

2017 was a special year for CSMFO, as we celebrated our Diamond Anniversary—60 years, as a professional association. I must say it was an honor and a privilege to have had the opportunity to serve as your President during this anniversary year. And what a year it was...from our annual conference in Sacramento to our very last chapter events in December, 2017 marked another great year for our organization.

The accomplishments of 2017, however, really got underway in late 2016 when CSMFO leadership got together in Sacramento to develop our three-year strategic plan. This planning session was highly productive, resulting in new mission and vision statements for the organization, as well as the core strategies, goals and action plans needed to achieve our vision. These core strategies (strategic growth, member engagement and professional development) have driven our efforts over the course of 2017 and have been the foundation for our many accomplishments this year.

2017 ANNUAL CONFERENCE – VENTURE TO THE CAPITAL

No doubt, one of the highlights each year for CSMFO is our annual conference. In 2017, we ventured to the capital of California, Sacramento, for another highly successful conference. Putting this conference on is an incredible amount of work from a team of dedicated volunteers and amazing professional staff, and for the Sacramento conference, everyone involved really outdid themselves. Our Program Committee put together a high-caliber and highly relevant series of concurrent, pre-conference and early-bird sessions; our Host Committee brought you our fantastic keynote speakers and planned the conference events like “Taste of Sacramento” on Thursday night; and the wonderful professional staff at Smith Moore & Associates and Meeting & Association Management Services pulled it all together by taking the vision of what we wanted the conference to be and arranging all of the logistics to make that vision a reality. The conference was a huge success and was the most well-attended conference in the North in the organization’s history, with nearly 1,200 in attendance.

HIGHLIGHTS AND ACCOMPLISHMENTS

- There were over 50 chapter meetings/events held throughout the year, with nearly 3,000 total attendees.
- 23 total in-person training courses were offered in 2017, with 690 in attendance.
- 10 webinars were offered, with over 1,600 individual participating locations.
- Our newest course, Developing Successful Supervisory Skills, was rolled out in 2 locations in 2017.
- Our annual Weekend Training was another sold out event, with 40 total participants.
- Our CSMFO Magazine entered its second year of publication under the leadership of our Communications Committee and continued to produce high-value content for our membership.
- The Volunteer of the Year Award was conceived and established, with the first recipient being recognized at the 2018 Annual Conference in Riverside.
- The Membership Committee executed a targeted outreach plan to support our strategic goal of strategic membership growth; overall, membership grew by over 8% to 2,371.
- Career Development and Professional Standard & Recognition Committees piloted “quick hits” videos focused on relevant and timely topics that could be covered in a short, simple video format.
- A special 60th Anniversary logo was developed and utilized on all CSMFO-branded documents in 2017.



THE FINANCIALS

CSMFO remains very healthy financially, ending the 2017 budget year with a surplus of \$90,762, which was predominantly driven by the surplus from the annual conference of \$99,762. This surplus left us with total equity in the amount of \$1.588M. This strong financial position has allowed us to maintain our membership rates and conference registration rates at existing levels, provide financial support to key training initiatives like Weekend Training and the new supervisory course that was introduced in 2017, and provide support to our chapters to remove financial barriers from meeting and event attendance. Going forward, we will continue to balance good financial management with investing in our key strategic initiatives to allow for CSMFO to remain financially sustainable while expanding training, educational, and engagement opportunities for our members.

FINAL THOUGHTS

Two words can sum up my final thoughts as your President: "Thank you." Thank you to Melissa Dixon and her staff at SMA for the incredible support and for always figuring out a way to say "yes" to me, regardless of the request. Thank you to Past President John Adams and President-Elect Margaret Moggia, members of the CSMFO Executive Committee, for helping me navigate through my year as President. Thank you to the CSMFO Board of Directors for its vision and its leadership. Thank you to our standing committee chairs, vice chairs, senior advisors and members for their tireless efforts executing to the strategic plan and driving our organization forward. Thank you to our chapter chairs and vice chairs for creating opportunities for networking and education, and making it accessible to our members. Finally, and most importantly, thank you to our members. CSMFO doesn't exist without you, and your support of our programs, trainings, annual conference and chapter events is what drives us to continue to grow and improve upon our offerings. Thank you all for your support over the last year; it has been an honor for me to have served as your President.

Respectfully,

Drew Corbett



PRESIDENT ELECT'S REPORT

MARGARET MOGGIA



Let me begin by extending my heartfelt appreciation to be able to serve as your President-Elect. Over the past 12 years, I have served in different capacities at the committee and Board level and it is an honor to represent this amazing organization now as President-Elect. My role of President-Elect has been two-fold – principally to plan for the 2018 Annual Conference in Riverside but also to represent the interest of the membership through our own individual actions or at a state and local level.

ANNUAL CONFERENCE PLANNING

What are the ingredients for a successful conference? The answer begins with effective planning and amazing people and ends with an experience where conference attendees feel rewarded through professional development and networking opportunities. Let's start with February 2017 and the hugely successful conference in Sacramento concluding with Drew Corbett, your 2017 CSMFO President, at the helm leading a debrief of the annual conference just moments after the conference concluded. The purpose of this meeting is to get immediate action of what went right, what we could improve and what ideas we have for the next year. With this information, survey results and the CSMFO staff, the 2018 Annual Conference Host Committee first met in the spring to begin deciding the myriad of decisions to make the next conference a success. The conference is filled with big decisions – budget, schedule and theme and little decisions that may go unnoticed to the conference attendee but do increase their experience.

Speaking of theme – I am so excited about 2018's theme – I truly believe in its message that through collaboration and innovation, we will be able to achieve our Mission: Possible. I thought the theme was so good that I want to carry it throughout my year serving as your president.

I am fortunate to have been surrounded with engaged and dedicated individuals to highlight Riverside with their beautiful conference center and experience the historic Mission Inn. Thank you to the following individuals who met monthly (and more) to deliver another successful conference: Anna Van Degna, Brent Mason, Carrie Corder, Danielle Wood, David Cain, Ernie Reyna, Laura Nomura, Mark Petrasso, Melissa Bellitire, Scott Catlett, and Steve Heide. And really none of this would happen without the amazing team from Meeting and Association Management Services – Teri Anticevich, Janet Salvetti, Candy Retamoza, and Marisa Anticevich – and through the leadership of Melissa Dixon and her talented staff at Smith Moore & Associates.



Of course the conference is also filled with practical, timely and thought-provoking sessions and through the hard work of the Program Committee we are excited to have planned three pre-conference sessions and nearly 60 concurrent sessions. These sessions are being led by many of our own government and commercial members who are there to share their knowledge and experience that we can take back to our agency and our communities to solve the day-to-day workload. So a huge thank you to Ronnie Campbell, Viki Copeland, Mary Bradley, Laura Nomura, Jimmy Forbis and Harriet Commons for your weekly dedication to review the response to the Call for Sessions, coordinate with the speakers to further develop and refine the sessions, and to coordinate the final logistics of the sessions.

CSMFO REPRESENTATION

One of my distinct pleasures in representing CSMFO is the people you meet. Along my journey, I have met some amazing individuals who impress me with their dedication to be a problem solver either in working the latest issue at their agency (can we say impact by recent legislation, dealing with the interpersonal issues or, dare I say, pension) or finding a way to support our membership through answering a question on a listserv or picking up the phone to share resources and information.

And over the years I have witnessed at chapter meetings the comradery amongst the attendees who have extended their work relation to be a friend. Even better is seeing those relationships at the annual conference where an individual from the north is excited to see their friend in the south and catch up on the news on the home front. This is what impresses me about CSMFO – the community. We are there to lift each other up and I hope through the next year we can continue to find ways to engage our members to be a mentor and a friend and encourage the next generation that this is the place to be.



Throughout the year, the CSMFO leadership meets – sometimes by phone and sometimes in person. Each meeting is filled with actionable steps taken at the committee level to advance the mission of CSMFO and show results from the action plan. Speaking for myself, one of the more significant meetings is the annual strategic planning meeting held in the fall each year. This is an opportunity for the CSMFO leadership to have a deeper dive into what and where we want the organization to be. Sometimes it may mean numbers, sometimes to increase our efficiency, and sometimes it means more meaningful content. For this year's strategic planning meeting, we worked with our facilitator, Neil Kupchin, to discuss the following four questions – 1. How effective is our committee structure? 2. What is our role in advocacy? 3. What is the mission of chapter meetings and how do we increase the member experience? 4. How should we engage with the next generation of CSMFO members? Through these discussions, we were able to define our 2018 action plan and to champion these efforts we have established new working groups to examine how to continue to show value to the current and future members of CSMFO.

Let me end with sharing with you CSMFO's five guiding values and challenge you to make a difference. How can you make an impact in INTEGRITY, COMPETENCY, COMMITMENT TO PUBLIC SERVICE, TRANSPARENCY, and CREATING A POSITIVE LEGACY? Be the one to get someone involved – and you will find it more rewarding than you ever imagined.

Thank you for the opportunity to serve and represent this organization that has given me so much more than the time and energy that I put in. I look forward to serving as your 2018 President, and working with Drew Corbett, Immediate Past President, Joan Michaels-Aguilar as President-Elect and all the dedicated leaders at the chapter and committee levels.

Sincerely,

Margaret Moggia



PAST-PRESIDENT'S REPORT

JOHN ADAMS

In 2017, I was able to take a break from writing CSMFO Magazine articles each month and focus on a few important areas. As past president, there are a few roles that you are assigned, including serving on the Executive Committee and the Nominating Committee for the annual election process, but one of the exciting roles of the Past President is to serve as Chapter Chair Liaison. This position helps support the chapter network by facilitating meetings that bring together all of our chapter leaders to exchange ideas and share information on running chapter meetings, finding speakers, increasing attendance and many other topics.

From the start of 2017 in Sacramento at the in-person breakfast meeting at the Annual Conference, the Chapter Chairs & Vice Chairs spent time with the Board members and had the opportunity to network in preparation for 2017. In addition to the Chapter Chair Breakfast, we also held six bi-monthly teleconference meetings that covered highlights from recent Board actions, Chair and Vice Chair vacancies, success stories and challenges. The meetings served as a resource, especially for our newest leaders, on how to run effective chapter meetings and where to go when help is needed.

Some of the past year's highlights as the liaison included: 1) increasing financial support by \$25,000 to off-set costs for Chapter meetings, 2) improving the process in requesting the on-line meeting form, 3) increased the sponsorship opportunities at Chapter Meetings, 4) approved complimentary registration for hosting organizations, 5) developed guidelines for raffle prizes, and 6) started the process of reviewing Chapter names & boundaries. With these positive improvements, we've seen the impact on attendance of having featured speakers and topics that have broad appeal to our members. As membership in our organization continues to grow, we hope to continue to reach out and identify those interested in taking advantage of all the opportunities CSMFO has to offer, especially at the chapter level.

While the goal is to have all chapters conduct regular meetings, we continue to recognize the challenges that some chapters have in being able to meet even once during the year. This is due to the vast geographic area some chapters cover, specifically those in less densely populated regions of the state. We continue to have some challenges in this area, so if you are reading this and have an interest in getting more involved in your chapter, feel free to reach out and contact any of the CSMFO leadership, specifically new Past President Drew Corbett, who will be assuming this role for 2017.

As I conclude my role as Immediate Past President, it was a tremendous pleasure serving the organization over the past three years. I am truly honored to have had the opportunity to work with so many talented people all working together to better our profession. There are many people I would like to thank, including the CSMFO Executive Committee, Board of Directors, Standing Committees & Chapters, Melissa Dixon and her staff at Smith Moore & Associates, Teri Anticevich and Janet Salvetti of Meeting & Association Management Services, the City of Thousand Oaks, and all of my friends and family.

And, lastly, I wish Margaret Moggia, our new President, Joan Michaels-Aguilar, our new President-Elect for 2018, and Drew Corbett, our new Immediate Past President, all the best as they transition into their new positions and continue to lead CSMFO in its mission of promoting excellence in the municipal financial management profession.

Respectfully,

John Adams



CORE STRATEGIES, GOALS & PRIORITY ACTIONS

STRATEGIC GROWTH

CSMFO will leverage and invest resources to ensure the organization supports its volunteer efforts to forward the mission, vision and values.

Goal/Objective	Action Plan & Deliverable	Responsible Parties	Target Dates	Progress
1a. New technology	<div>1. MEMBERSHIP DATABASE<ul style="list-style-type: none">Technology Committee Members assigned to database workgroupFollow progress of working group and update committee/board as necessary</div> <div>2. LISTSERV<ul style="list-style-type: none">Draft implementation planResearch software solutionPresent to board for adoption</div> <div>3. TELE-CONFERENCING<ul style="list-style-type: none">Complete testing of toolsCreate matrix of pros/consDraft recommendation for larger-scale adoptionPresent to board</div> <div>4. WORKFLOW MANAGEMENT<ul style="list-style-type: none">Complete testing of toolsCreate matrix of pros/consDraft recommendation for larger-scale adoptionPresent to board</div>	Database Working Group/Technology Committee	<div>1. DECEMBER 2017</div> <div>2.<ul style="list-style-type: none">first half of 2017second half of 20172018 conference</div> <div>3.<ul style="list-style-type: none">first half of 2017fall 2017November 2017December 2017</div> <div>4.<ul style="list-style-type: none">second half of 2017winter 2017-18spring 2018summer 2018</div>	
1b. Survey needs, evaluate growth opportunities	<div>1. GET A LIST OF NON-RENEWING MEMBERS FROM SMA</div> <div>2. IDENTIFY QUESTIONS FOR SURVEY</div> <div>3. SEND OUT SURVEY</div> <div>4. GET A LIST OF 2016 & 2017 CONFERENCE ATTENDEES FROM SMA</div> <div>5. ANALYZE AND IDENTIFY GAPS OF ATTENDEES YEAR OVER YEAR</div>	Membership Committee	<div>1. APRIL 2017</div> <div>2. APRIL 2017</div> <div>3. APRIL 2017</div> <div>4. AUGUST 2017</div> <div>5. AUGUST 2017</div> <div>A survey was sent out in April 2017, and with very few responses, the questions in the survey were narrowed down (from 16 to 3) and sent out again in May. However, that also resulted in only a handful of responses. Instead of re-doing and sending out another survey, the Committee focused on reaching out to non-members under Core Strategy Member Engagement Objective #1, as this provides an avenue of outreach to non-renewing members within the non-member cities.</div> <div>4. DECEMBER 2017</div> <div>5. DECEMBER 2017</div>	

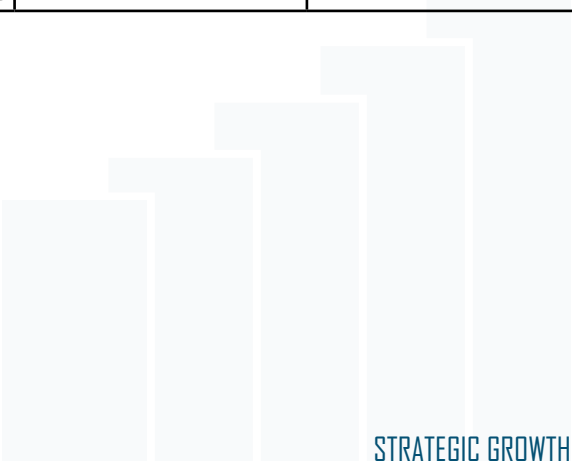
CSMFO will leverage and invest resources to ensure the organization supports its volunteer efforts to forward the mission, vision and values.

Goal/Objective	Action Plan & Deliverable	Responsible Parties	Target Dates	Progress
1c. Branding/Outreach/Promote CSMFO	<div>1. CONTINUE TO PUBLISH THE CSMFO MAGAZINE THROUGH 2017 TO STRATEGICALLY BRAND AND PROMOTE CSMFO. 2017 PUBLICATION MONTHS: JAN, FEB, MAR, MAY, JUL, SEP, NOV</div> <div>2. IDENTIFY STANDARDIZED OPPORTUNITIES TO SUPPORT CHAPTERS AND COMMITTEES IN OUTREACH EFFORTS.<ul style="list-style-type: none">Participate in bi-monthly chapter chair callsInterface with committee chairs in bi-monthly committee chair calls</div> <div>3. DRAFT POLICIES TO ENSURE CONSISTENT MESSAGING<ul style="list-style-type: none">For MagazineUse of logos and for email communications</div>	Communications Committee	<div>1. AS INDICATED BY PUBLICATION DATES</div> <div>2. BY SEPTEMBER, 2017</div> <div>3a. BY APRIL, 2017</div> <div>3b. BY SEPT, 2017</div>	<div>1. Magazines have been published; attempts have been made to incorporate a Chapter focus in each issue</div> <div>2a – need to get on calendar</div> <div>2b – participate</div> <div>3. Draft policies prepared. Logos & email communication targeted to go to Board at the October meeting</div>
1d. Expand/enhance program administrative support and infrastructure	<div>1. POLL COMMITTEE CHAIRS TO DETERMINE IF THERE ARE ADDITIONAL ADMINISTRATIVE NEEDS ABOVE AND BEYOND WHAT CAN BE HANDLED BY VOLUNTEER MEMBERS</div> <div>2. BASED ON RESULTS OF POLL, WORK WITH COMMITTEES TO DRAFT SCOPE OF SERVICES/COST PROPOSAL</div> <div>3. TURN SCOPE OF SERVICES PROPOSAL OVER TO ADMIN COM FOR REVIEW AND PRESENTATION TO BOARD</div> <div>4. INCORPORATE ADDITIONAL BUDGET REQUESTS INTO PROPOSED 2018 BUDGET</div> <div>5. POLL CHAPTERS ON IMPACT OF INCREASED ADMINISTRATIVE SUPPORT</div> <div>6. ANALYZE POLL RESULTS AND DETERMINE IF ADJUSTMENTS SHOULD BE MADE TO ADMINISTRATIVE SUPPORT SERVICES FOR CHAPTERS</div> <div>7. SCOPE AND COST ADDITIONAL SERVICES, AS APPROPRIATE</div> <div>8. INCORPORATE INTO 2019 BUDGET</div>	Executive Committee/Administration Committee (additional support from Technology Committee)	<div>1. MAY 2017</div> <div>2. JULY 2017</div> <div>3. AUGUST 2017</div> <div>4. OCTOBER 2017</div> <div>5. 2018</div> <div>6. 2018</div> <div>7. 2018</div> <div>8. 2018</div>	2017 action items completed. Program Committee established new contract with SMA to provide admin support (approved at August Board Meeting).



CSMFO will leverage and invest resources to ensure the organization supports its volunteer efforts to forward the mission, vision and values.

Goal/Objective	Action Plan & Deliverable	Responsible Parties	Target Dates	Progress
1e. Enhance internal communication – chair calls, collaboration	1. SOLICIT IDEAS, SUGGESTIONS AND RECOMMENDATIONS FROM LEADERSHIP ON WAYS TO ENHANCE INTERNAL COMMUNICATIONS 2. CONSOLIDATE INPUT FROM LEADERSHIP AND DISTRIBUTE 3. BASED ON INPUT, DEVELOP RECOMMENDATIONS FOR BOARD REVIEW 4. SEEK BOARD APPROVAL FOR IMPLEMENTATION IN 2018 5. EVALUATE EFFECTIVENESS OF CHANGES EVERY 6 MONTHS IN 2018 AND 2019	Executive Committee (additional support from Technology Committee)	1. AUGUST 2017 2. SEPTEMBER 2017 3. DECEMBER 2017 4. DECEMBER 2017 5. 2018 6. 2018 & 2019	2017 items are on track. Committee Chairs have been meeting bi-monthly with the President, and the Past President is meeting regularly with Chapter Chairs. Solicitation on effectiveness began in September.
1f. Evaluate and improve internal communications – Board Meeting agendas, status reports from committees	1. SOLICIT IDEAS, SUGGESTIONS AND RECOMMENDATIONS FROM LEADERSHIP IN WAYS TO ENHANCE INTERNAL COMMUNICATIONS 2. CONSOLIDATE AND DISTRIBUTE 3. DEVELOP RECOMMENDATIONS FOR BOARD REVIEW 4. SEEK BOARD APPROVAL FOR IMPLEMENTATION IN 2019 5. EVALUATE EFFECTIVENESS IN 2019	Executive Committee (additional support from Technology Committee)	1. DECEMBER 2017 2. 2018 3. 2018 4. 2018 5. 2019	Executive Committee has had discussions on board agendas and status reports. Will continue conversation and solicit input from leadership on schedule.
2. Develop a “60th” Logo	DONE!	Executive Committee/President		



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Goal/Objective	Action Plan & Deliverable	Responsible Parties	Target Dates	Progress
3. Develop Comprehensive Strategy on Fees and Dues (Revenues)	1. COMPILE DATA ON FEES CHARGED ON ALL COURSES AND CHAPTER MEETINGS. 2. SURVEY AND COMPARE CLASS FEE STRUCTURE TO OTHER ORGANIZATIONS SUCH AS WFOA, OGFOA, CMTA 3. SURVEY IF OTHER ORGANIZATIONS HAVE MEMBER VS NON-MEMBER PRICING 4. MAKE RECOMMENDATION ON PRICING STRATEGY 5. MEMBERSHIP DUES STRUCTURE: SURVEY AND COMPARE DUES STRUCTURE TO OTHER ORGANIZATIONS AND MAKE RECOMMENDATION ON PRICING STRATEGY (RE-VISIT DUES STRUCTURE EVERY 3-5 YEARS)	Membership Committee	1. 2018 2. 2018 3. 2018 4. 2018 5. 2018	
4. Formalize Chapter Structures	1. ESTABLISH SUCCESSION PLANS FOR CHAPTERS 2. DEFINE STANDARD POLICY FOR TRANSITION AND INTRODUCTION OF CHAPTER CHAIRS 3. GENERATE STANDARDIZED EVALUATIONS FOR CHAPTER MEETINGS 4. ESTABLISH SPEAKERS BUREAU CHAPTER LIST AND RATINGS LIST FOR REFERENCE 5. DEVELOP TOOL KIT FOR CHAPTER LEADERSHIP AND MEETINGS MANAGEMENT 6. CREATE CHAPTER EFFECTIVENESS COMMITTEE?	Chapter Chairs, led by Past President Staff	2018	
5. Engage Past Presidents	1. ESTABLISH PAST PRESIDENTS ADVISORY COMMITTEE (POTENTIAL OVERSEE DSA)	Past President to Chair	2018	



CORE STRATEGIES, GOALS & PRIORITY ACTIONS

MEMBER ENGAGEMENT

CSMFO will respond to our members’ needs, increase active participation and promote strategic growth.

Goal/Objective	Action Plan & Deliverable	Responsible Parties	Target Dates	Progress
1. Formulate outreach plan to target potential members (88 cities)	1. IDENTIFY THE TARGETED CITIES 2. MAP CITIES TO SEE IF THERE ARE ANY GEOGRAPHIC PATTERNS TO IDENTIFY SUPPORT/HELP FROM ACTIVE MEMBER AGENCIES (E.G. SEE WHAT CHAPTERS NON-MEMBER CITIES BELONG TO) 3. IDENTIFY OUTREACH EFFORTS (E.G. OFFERING WEBINARS WHICH ARE FREE UNLESS CPE CERTIFICATE IS REQUIRED, USING CHAPTER REVENUES TO HOLD FREE MEETINGS FOR POTENTIAL MEMBERS AT THEIR AGENCIES)	Membership Committee	1. NOVEMBER 2017 2. NOVEMBER 2017 3. NOVEMBER 2017	1. COMPLETED 2. COMPLETED 3. COMPLETED/ONGOING After the membership listing was updated earlier in the year, there were 84 cities identified that do not have members in CSMFO. The committee’s strategy was to work with these cities’ respective chapters to send out a letter that lists out membership benefits and offers the non-member cities a free chapter meeting so they can experience first-hand some of the benefits CSMFO provides. For cities that belong to inactive chapters, the strategy was to work with neighboring active chapters. Concurrently, letters with an invitation to join CSMFO were sent out by President Corbett and Membership Chair Reyna to the California attendees at the GFOA Annual Conference who went to the President’s reception and who were not CSMFO members. To date, these combined outreach efforts resulted in 6 new members and another 8 cities who accepted the invitation to attend the next chapter meeting in their respective chapters.

Goal/Objective	Action Plan & Deliverable	Responsible Parties	Target Dates	Progress
2. Refine volunteer utilization plan and appreciate and recognize volunteers	1. DEVELOP POLICY TO FORMALLY RECOGNIZE CHAPTER AND COMMITTEE CHAIRS TO CREATE UNIFORMITY ACROSS CSMFO. 2. MAKE RECOMMENDATION ON VOLUNTEER APPRECIATION PLAN (E.G. STANDARD RECOGNITION LETTER, SPECIAL CSMFO PIN/T-SHIRTS/PLAQUE ON “MILESTONE” 5-, 10-, ETC. YEARS OF SERVICE)	Membership Committee	1. 2018 2. 2018	

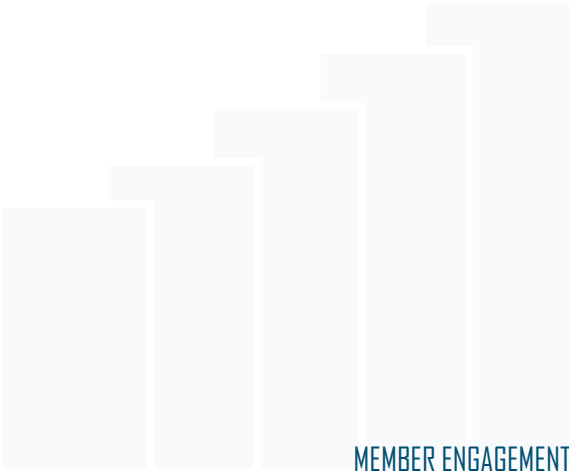
CSMFO will respond to our members’ needs, increase active participation and promote strategic growth.

Goal/Objective	Action Plan & Deliverable	Responsible Parties	Target Dates	Progress
3. Refine volunteer utilization plan and appreciate and recognize volunteers	1. ISSUE RFQ FOR SURVEY FIRM 2. EXECUTE CONTRACT	Membership Committee	1. 2018 2. 2018	
4. Conduct comprehensive member survey to determine priorities	1. WORK WITH SMA TO IDENTIFY SURVEY QUESTIONS (DO MEMBERS WANT MORE WEBINARS? MORE IN-PERSON TRAININGS? WHAT TOPICS? CHAPTER MEETINGS? ETC.) 2. SEND OUT SURVEY	Membership Committee	1. 2019 2. 2019	
5. Develop student engagement plan	1. UPDATE CSMFO BROCHURE AND GATHER OTHER CSMFO MATERIALS AND SWAG TO PASS OUT TO STUDENTS 2. GET BOOTH AT “CAREER NIGHT”/“MEET THE FIRM” AT COLLEGE CAMPUSES, OR ATTEND UNIVERSITY’S FINANCE SOCIETY MEETINGS 3. RECOMMEND AND IMPLEMENT ENGAGEMENT PLAN (E.G. OFFER FREE ATTENDANCE TO CHAPTER MEETINGS, HOLD CHAPTER MEETINGS AT LOCAL UNIVERSITIES TO ATTRACT STUDENTS)	Membership Committee	1. 2018 2. 2019 3. 2019	1. The brochure has been updated and will be printed in time for the 2018 Conference.
6. Develop orientation package for new and existing members	1. DEVELOP STANDARD WELCOME LETTER FOR NEW MEMBERS 2. SET UP SPECIAL EVENT(S) FOR FIRST TIME CONFERENCE ATTENDEES 3. CREATE DESIGNATED “HOTSPOTS” FOR NEW MEMBERS TO MEET WITH CHAPTER CHAIRS AT ANNUAL CONFERENCE	Membership Committee	1. JULY 2017 2. 2018 3. 2018	1. December 2017



CSMFO will respond to our members’ needs, increase active participation and promote strategic growth.

Goal/Objective	Action Plan & Deliverable	Responsible Parties	Target Dates	Progress
7. CSMFO should add value without advocating	1. DEVELOP GUIDELINES FOR THE BOARD REGARDING ADVOCACY: A. DEFINE RESPONSIBILITIES B. DEVELOP POLICY STATEMENTS 2. ENGAGE OUR MOST EXPERIENCED MEMBERS	Professional Standards	2018	
8. Develop plan for student engagement	1. FORMULATE FORMAL PROGRAM TO VISIT COLLEGES AND UNIVERSITIES (DO PRESENTATIONS) 2. SET UP ON CAMPUS FOR CSMFO MEETINGS (CHAPTERS, OTHER?) 3. CONTACT MPA/FINANCE/ECON/ MBA DEPARTMENTS/PROGRAMS AND OFFER TO ATTEND/PRESENT 4. OFFER TRAINING ON DELEGATION/ MENTORING SKILLS 5. DEVELOP CSMFO LEADERSHIP ACADEMY	Student Engagement Task Force - NEW	2018	



CORE STRATEGIES, GOALS & PRIORITY ACTIONS

PROFESSIONAL DEVELOPMENT

CSMFO will deliver the highest quality training and expanded educational opportunities to further develop the knowledge and skills of finance professionals at all levels throughout California.

Goal/Objective	Action Plan & Deliverable	Responsible Parties	Target Dates	Progress
1. Expand CSMFO core training to ensure foundational skill sets	1. PROFESSIONAL STANDARDS WORKING GROUP MEMBERS ARE CREATING INVENTORIES IN SIX DIFFERENT TOPIC AREAS. MEMBERS NEED TIME TO RESEARCH EXISTING RESOURCES AND DEVELOP A COMPREHENSIVE INVENTORY.	Professional Standards & Recognition Committee	1. NOVEMBER 2017	1. MAY 2018 The Professional Standards Working Group has developed a listing of standards for each topic. The Working Group needs to develop this information into a workable tool that can be used by the membership as a whole.
1b. Expand CSMFO core training to ensure foundational skill sets	1. IDENTIFY NEW SUBJECTS FOR COURSES (E.G. DEBT MANAGEMENT, FIXED ASSETS, AND TREASURY). IF OVERLAP WITH OTHER PROFESSIONAL ORGANIZATIONS, SEEK FEEDBACK FROM THE BOARD AND POSSIBLY DEVELOP TRAINING PARTNERSHIPS. 2. FUNDAMENTALS OF TAX REVENUES 3. FUNDAMENTALS OF FEES, RATES & CHARGES 4. SUCCESSFUL SKILLS FOR FINANCE DIRECTORS (SOUTH & NORTH IN 2017) 5. DEVELOPING SUCCESSFUL SUPERVISORY SKILLS 6. INTRODUCE NEW COURSES	Career Development Committee	1. DECEMBER 2017 2. SOUTH IN 2017 (ODD YEARS) & NORTH IN EVEN 3. NORTH 2017 (PRECONFERENCE) & SOUTH IN 2018 4. SCHEDULING IN 2017 5. 2018 – PRECONFERENCE SESSION? 6. 2018 & 2019	1. Survey Monkey sent to membership week of 9/25/17 to ascertain level of interest in new topics for training. 2. Completed – West Basin 3. Completed as Preconference Session in 2017 4. Confirmed as a Preconference Session in 2018 5. 2017 Dates: 9/28 & 11/16; 2018 Dates: 1/11
2. Leverage technology to deliver content	1. DEVELOP A STRATEGY FOR ALTERNATIVE SERVICE DELIVERY OPTIONS. WORK WITH CONSULTANTS AND OTHER INTERESTED COMMITTEES. INCLUDES ENHANCED FUNCTIONALITY OF THE LISTSERV 2. TEST ALTERNATIVE DELIVERY OPTIONS. 3. EXPANDED ROLL-OUT OF ALTERNATIVE DELIVERY OPTIONS.	Technology Committee/Career Development Committee	1. DECEMBER 2017 2. DECEMBER 2018 3. DECEMBER 2019	1. Awaiting direction from Technology Committee for video-based committee meeting options and for Quick Hit video improvement



CSMFO will deliver the highest quality training and expanded educational opportunities to further develop the knowledge and skills of finance professionals at all levels throughout California.

Goal/Objective	Action Plan & Deliverable	Responsible Parties	Target Dates	Progress
3. Develop and copy-right training materials as appropriate	1. EVALUATE CONTENT OF INTRODUCTORY COURSE TO ENSURE ALIGNMENT WITH INTERMEDIATE COURSE. INCORPORATE CSFMO STYLE GUIDE. IF CURRICULUM CHANGES NEEDED, REQUEST ASSISTANCE FROM INSTRUCTOR OR OTHER PROFESSIONAL. 2. CORE COURSE EVALUATION PLAN TO ENSURE QUALITY OF DELIVERY AND CONTENT. CDC MEMBER TO ATTEND AT LEAST ONE OF EACH OF THE COURSES OFFERED. 3. CONTINUE PROCESS OF OBTAINING FEEDBACK ON ALL CORE COURSES.	Career Development Committee	1. DECEMBER 2018 2. DECEMBER 2017	1. Committee to work on finding consultant(s) to develop course objectives and material development. CDC will ensure objectives align with corresponding core courses. Need funding in 2018 2. Completed in 2016: Fiscal Policies & Fundamentals of Tax Revenues; Completed in 2017: Introduction, Intermediate, Investment Accounting, Supervisory Skills, & Weekend Training; To be completed in 2018: Skills for Finance Directors CDC to develop a form for Committee members to use as starting in 2018 for in-person class evaluations 3. SMA continues to send independent course surveys (in addition to instructor-provided surveys). Surveys continue to be very positive.
3b. Develop and copy-right training materials as appropriate	1.ISSUE RFQ FOR ATTORNEY SERVICES 2. EXECUTE CONTRACT	Administration Committee	1. DECEMBER 2017 2. MARCH 2018	1. Survey Monkey sent to membership week of 9/25/17 to ascertain level of interest in new topics for training. 2. Completed – West Basin 3. Completed as Preconference Session in 2017 4. Confirmed as a Preconference Session in 2018 5. 2017 Dates: 9/28 & 11/16; 2018 Dates: 1/11

CSMFO will deliver the highest quality training and expanded educational opportunities to further develop the knowledge and skills of finance professionals at all levels throughout California.

Goal/Objective	Action Plan & Deliverable	Responsible Parties	Target Dates	Progress
4. Develop focused “quick hits” on technical topics accessed from any device (aka ‘Ted Talks’)	1. DEVELOP QUESTIONS AND UTILIZE CSMFO TECHNOLOGY FOR INTERVIEWS 2. DEVELOP MATERIAL AND UTILIZE CSMFO TECHNOLOGY FOR PRESENTATION	Professional Standards & Recognition Committee (with CDC assistance) Accountability with CDC	1. JUNE 2017 2. JUNE 2017	1. Completed in 2017: Transportation Funding (M. Coleman) In Progress in 2017: New Issue Bond Pricing (PFM) & New Debt Disclosures (Tim Kirby prepared a quick hit on how local governments can comply with SB 1029.) Need funding in 2018. 2. Need to develop brand-consistent video quality (Technology Committee)
5. Strategize on developing Student Mentorship Program	1. IDENTIFY, TARGET AND RECRUIT MENTORS. 2. CREATE THE MENTORSHIP PROGRAM. 3. IDENTIFY, TARGET AND RECRUIT MENTEES. 4. IDENTIFY RECRUITMENT STRATEGIES AND WORK WITH THE MEMBERSHIP COMMITTEE.	Career Development Committee This goal has now been transferred to the Membership Committee; CDC will maintain the Coaching Program	1. JUNE 2017 2. DECEMBER 2017 3. DECEMBER 2017 4. JUNE 2017	



COMMITTEE REPORTS

ADMINISTRATION

ADMINISTRATION COMMITTEE

Chair: Kate Zawadzki, City of Dixon
Vice-Chair: Stephen Parker, City of Stanton
Senior Advisor: Bob Biery, City of Westlake Village
Board Liaison: Brent Mason, City of San Bernardino

The Administration Committee is charged with administering CSMFO's contract agreements, issuing requests for proposals or requests for bids, as necessary, maintaining CSMFO's various policy and procedure documents and manuals, reviewing monthly financial statements and other projects and analysis as directed by the CSMFO Board.

This year the Administration Committee continued to perform its core functions and strategic goal assignments. Six policy and procedure additions and amendments, six new contracts and one contract amendment were presented to the board for approval.

The Administration Committee presented to the Board for approval multiple amendments to the Policy and Procedures Manual. A policy was added to reimburse board members for travel expenses incurred to attend chapter meetings other than their home chapter. The Communications Committee was added as a standing committee and a policy was added regarding CSMFO position statements on issues. The Manual was also amended to add Chapter Vice-Chairs and SMA staff and remove League Policy Committee Appointees from the attendees that would have paid lodging at the Strategic Goal Planning Session.

As part of its assignments from the Strategic Plan, the Administration Committee sought the services of a survey firm through the issuance of an RFQ. A two-year contract was issued to Probolsky Research and the first survey was completed in early fall 2017. This was the annual consultant satisfaction survey and Adam Probolsky presented the results to the Board during a call at the annual Strategic Goal Planning Session.



The Administration Committee completed the process that began in 2016 by reviewing the RFP responses for financial auditing services and recommending award of the contract to Richardson and Company. A three year contract with an optional two year extension was executed.

Many other contracts were also approved during the course of the year. In January, the Board approved an amendment to Michael Coleman's contract to increase the number of events attended from 18 to 36 over a three year period. In June, two new instructor contracts were approved for Neil Kupchin for the Successful Leadership Skills for Finance Directors course and the Developing Successful Supervisory Skills course. Additionally, contracts with Davis Farr and PFM Asset Management were approved for volunteer instructor services for the Investment Accounting course.

The Administration Committee would like to thank Stephen who has been a valued Vice-Chair of the committee and is moving on to Vice-Chair of the Membership Committee and Terri Willoughby for her multiple contributions as a member as she is moving on as Vice-Chair of Career Development. We would also like to acknowledge the volunteers that worked hard to make this committee run smoothly: Bob Biery; Brent Mason; Alberto Preciado; Kim Sao, Jeannine Thrash and Melissa Dixon.

COMMITTEE REPORTS

ADMINISTRATION



COMMITTEE REPORTS

CAREER DEVELOPMENT

CAREER DEVELOPMENT COMMITTEE

Chair: Carrie Corder, Cucamonga Valley Water District
Vice Chairs: Will Fuentes, City of Milpitas and Richard Lee, City of South San Francisco
Senior Advisor: Mary Bradley, City of Fremont
Board Liaison: Scott Catlett, City of Yorba Linda

One of the core elements of the CSMFO's mission is to provide continuing education and professional development. Each year hundreds of members take advance of high quality, low cost, and CPE-qualified professional training. In 2017 the Career Development Committee continued in its primary mission to provide in-person training courses throughout the state, the weekend training course, and a number of webinars.

New in 2017 was the launch of an exciting, new professional development resource called "Quick Hits." Quick Hits are short 10-15 minute videos on a variety of focused areas ranging from hot topics to technical information. Our first Quick Hit featured an introduction to the Road Repair and Accountability Act of 2017 by Michael Coleman. A new, debt management-related Quick Hit is currently in production relating to New Issue Bond Pricing Rules.

In 2017 CSMFO offered 23 in-person training courses to 690 participants. The current core course offerings include: Introduction to Governmental Accounting, Intermediate Governmental Accounting, Investment Accounting, Fiscal Policy/Long Term Financial Planning, Fundamentals of Tax Revenues, Fundamentals of Fees, Rates & Charges, Developing Successful Supervisory Skills, and Successful Skills for Finance Directors. These courses are led by the following knowledgeable instructors:

- Introduction to Governmental Accounting – Ahmed Badawi
- Intermediate Governmental Accounting – Susan Mayer
- Investment Accounting – Debra Goodnight and Jennifer Farr
- Fiscal Policy/Long Term Financial Planning – Bill Statler
- Fundamentals of Tax Revenues – Michael Coleman, Paula Cone & Lloyd DeLlamas
- Fundamentals of Fees, Rates & Charges – Michael Coleman & Tim Seufert
- Developing Successful Supervisory Skills – Neil Kupchin
- Successful Skills for Finance Directors – Neil Kupchin

Another priority for the Committee is the planning and development of the Webinar Program led by CSMFO's Coaching Program Director, Don Maruska. CSMFO members participated in ten webinars. As an additional benefit to members, all of the webinars dating back to 2008 are recorded and archived on CSMFO's website. During 2017, 1,656 locations (including 8 Alaska GFOA members) attended the following webinar offerings:

- Essential Steps for a New Finance Director
- CalPERS: Nuts and Bolts of the New Discount Rate
- Finance Professional's Role in Collective Bargaining
- GASB Update – the Cure for the GASB Blues
- Protecting Your Agency from Fiduciary Lawsuits on Retirement Plans
- Audit Responsibility: Key Roles and Critical Actions
- What Finance Professionals Need to Know about Risk Management
- Strategies for Having Difficult Conversations (courtesy of ICMA)
- Ethics in Action
- How to Complete the new State Controller's Financial Transactions Report

As part of the Career Development Committee, the Coaching Program offered two successful sessions at the 2017 Annual Conference: Speed Coaching (35 attendees) and Interview Quick Takes (12 attendees). Looking to the 2018 conference, the Speed Coaching session will be repeated along with a new session, "Telling Your Story – from Resume to Interview to Results."

The Weekend Training takes place in mid-November and alternates annually between locations in Northern and Southern California. In 2017, the 3-day training event was held in Ontario, in Southern California. Registration sold out quickly at 40 attendees. Attendance is limited in order to enhance the learning experience and ensure a more interactive session. Sessions were led by the following knowledgeable instructors.

- Legislative Update and Overview – Michael Coleman
- Investing Public Funds – Ben Finkelstein
- Revenue Enhancements – Tim Seufert
- Ethics and the Finance Professional – AJ Wilson
- Bond Financing – Time Schaefer
- Communicating Public Information – Francie Palmer & Rachel McGuire
- Financial Analysis & Reporting – Bill Statler
- Long-Term Financial Planning – Bill Statler
- Developing and Presentation of an Operating Budget – Jay Goldstone

In addition to these programs, the Committee focused its attention on the planning and implementation of the three-year strategic goals established by the Board. The Committee's goals include expanding the core training program, continue the evaluation of the on-going core courses, evaluation of the training materials and consider shifting the content development responsibility to CSMFO, and develop "Quick Hits" in order to provide high quality, timely training to our members in a easily accessible format.



COMMITTEE REPORTS

MEMBERSHIP

MEMBERSHIP COMMITTEE

Chair: Ernie Reyna, Western Riverside Council of Governments
Vice Chairs: Grace Castenada, City of San Mateo and Dennis Kauffman, City of Roseville
Senior Advisors: Marcus Pimentel, City of Santa Cruz and Christy Pinuelas, City of Agoura Hills
Board Liaison: Karan Reid, City of Concord

The Membership Committee had a very productive 2017, which included tackling a brand new three-year CSMFO Action Plan approved by the Board. The Membership Committee decided to allocate all the duties assigned over a three year period since each task was very involved.

The first item taken on by the Membership Committee included surveying the needs of CSMFO and evaluating growth opportunities. This required the committee to acquire a listing of those CSMFO Members that did not renew their membership from Smith Moore & Associates to try and find out the reason for not renewing. In most instances, the member that did not renewal either moved out of the state or had joined another comparable organization such as GFOA.

The Committee also undertook the challenge of formulating an outreach plan to target potential members. At last count, there were a total of 88 cities that did not participate in CSMFO and the first step was identifying those cities. Once it had been determined which cities did not participate in CSMFO, the Membership Committee used liaisons such as Chapter Chairs and commercial members to reach individuals within those cities. The Committee is happy to report that the recruitment did produce new members from this effort.

The last big effort of 2017 was designing not only a new municipal brochure for CSMFO, but also creating one for the commercial side. Committee members worked hard and were able to create a brochure both municipal and commercial members were proud of. The new brochures will be rolled out at the 2018 Annual Conference in Riverside, CA.

COMMITTEE REPORTS

MEMBERSHIP

COMMITTEE REPORTS

PROGRAM

PROGRAM COMMITTEE

Chair: Ronnie Campbell, Southern California Regional Rail Authority
Vice Chair: Laura Nomura, Riverside Public Utilities
Senior Advisors: Mary Bradley, City of Fremont and Viki Copeland, City of Hermosa Beach
Board Liaison: Jimmy Forbis, City of Gilroy

The 57th Annual CSMFO Conference, “Venture to the Capital,” was held February 6-10, 2017; at the Sacramento Convention Center and Hyatt Regency Hotel in Sacramento. There were 1,151 registered attendees, along with 116 exhibitors/sponsors.

There were two pre-conference sessions on Tuesday, Fundamentals of Municipal Revenues: Fees, Rates, Charges, and Land-Based Financing Tools and What Every Finance Professional Should Know About Large Complex Technology Implementations, both of which were well attended.

The conference format offered 37 concurrent sessions over the three days, with a variety of topics and speakers from which to choose. In addition, there was two “early bird” sessions on Wednesday morning. The first featured a well-attended CalPERS update, Whither Goest CalPERS, presented by Marcie Frost, CalPERS Chief Executive Officer, Scott Terando, CalPERS Chief Actuary, and Richard Costigan, CalPERS Board Member. The second provided an opportunity for attendees to hear a moderated panel discussion on Leveraging Your CSMFO Member Benefits.

The conference officially opened with lunch on Wednesday, with keynote speaker Connie Podesta, who provided an uncanny insight into human nature. The Thursday lunch featured Christopher Thornberg and his always well-received economic update. On Friday morning, Michael Coleman presented his always-popular The Coleman Report. The conference wrapped up with a closing general session on Friday with keynote speaker Alex Banayan.

Overall, conference attendees had the opportunity to earn 23 hours of Continuing Professional Education (CPE) credits on a wide variety of topics, while building their professional networking resources.

COMMITTEE REPORTS

PROGRAM



COMMITTEE REPORTS

PROFESSIONAL STANDARDS & RECOGNITION

PROFESSIONAL STANDARDS & RECOGNITION COMMITTEE

Chair: Craig Boyer, County of Alameda
Vice Chairs: Sara Roush, City of Rocklin and Tim Kirby, City of Sunnyvale
Senior Advisor: Steve Heide, Chino Valley Fire District
Board Liaison: Scott Catlett, City of Yorba Linda

GOALS ACHIEVED IN 2017

With the re-establishment of the Professional Standards Working Group and the inclusion of the GFOA Liaisons into the Professional Standards and Recognition Committee in 2017, the Committee focused on the following goals:

1. Preparation of the Committee's first quick hit topic on Senate Bill 1029
2. Implementation of formal procedures and documents for the CSMFO Award Presenter Program
3. Regular communication with the membership regarding the CSMFO Award Programs.

The Committee re-established the Professional Standards Working Group at the end of 2016 and the Working Group began to hold monthly meetings in 2017. A key goal for the Working Group was to identify its first topic for a quick hit. The Working Group decided to provide information on how to implement Senate Bill 1029 – California Debt and Investment Advisory Commission Accountability Reports. The Working Group prepared the presentation material for the quick hit and was in the process of testing different technologies to determine the best way to deliver the presentation.

The GFOA Liaisons implemented formal policies and procedures over the CSMFO Award Presenter Program to better utilize resources. Under the direction of the Committee Chair, the GFOA Liaisons refined the prioritization criteria for allocating resources for award presentations, developed an application for local governments who want an award presentation, and developed a written script template to assist award presenters. In addition, the Board of Directors approved the GFOA Liaisons' request for expense reimbursement for award presenter expenses.

The Committee also focused on regular communication of the CSMFO award programs to the membership. The Committee's prior year goal of implementing an online award program led to increased participation in the award programs. The Committee received an additional 10 submitted applications for the award programs, which was an increase of approximately 8%.

COMMITTEE GOALS FOR 2018

The Committee proposed a separation of Professional Standards and Recognition into two separate committees for 2018. The Recognition Committee will retain the GFOA Liaisons and there will be one GFOA Liaison starting in 2018. The GFOA Liaison is now a vice-chair of the Recognition Committee and the CSMFO Award Presenter Program will work in tandem with the CSMFO Award Programs.

The Professional Standards Committee will begin meeting in February at the Annual Conference. The Committee will determine the frequency of future meetings as well as discuss potential topics of interest.

The Recognition Committee will utilize the formal procedures and tools developed for the CSMFO Award Presenter Program. The goal is to be proactive in offering this program as a service to the membership. The Committee will also focus on refining the CSMFO Award Programs. Plans include the development of formal training programs for applicants and reviewers, development of procedure manuals for the award management software, and expansion of the reviewer recognition program to recognize those members who volunteer their time to the CSMFO Award Programs.

COMMITTEE REPORTS

PROFESSIONAL STANDARDS & RECOGNITION



CHAPTER REPORTS CENTRAL COAST

CENTRAL COAST CHAPTER CHAIR REPORT

Chair: Brad Wilkie, City of Lompoc
Vice Chair: Carolyn Galloway-Cooper, City of Buellton

This year was a busy time for many of the Central Coast Chapter cities. Several member cities have active financial management system conversion projects, rate or fee studies and changes in management. Chapter meetings were varied and diverse, well attended and was beneficial for the group. The Chapter benefitted from the organization-wide registration system, as well as the uniform Chapter Meeting forms introduced last year. The Chapter had a number of agencies with financial administration changes. Carolyn Galloway-Cooper, the chapter's vice chair retired as the City of Buellton's Finance Director. Morro Bay and Paso Robles also had changes at the Finance Director level.

The Chapter traditionally holds meetings on the second Thursday every other month. Meetings are hosted at Rosa's Restaurant in Pismo Beach. The location is central for Chapter members who are as far north as Paso Robles and Cambria, and as far south as Solvang and Buellton. Our chapter typically holds its first meeting of the year in January and the last meeting of the year in November. However, due to speaker availability, some adjustments were made during the year including the last meeting.

FOLLOWING IS A SUMMARY OF CHAPTER MEETINGS THIS YEAR:

On January 12, 2017, Larry Bergkamp, Senior Technical Advisor to MuniServices, presented on topics related to the passage of Proposition 64. The focus was on the effect to agency sales tax collections once Proposition 64 became effective on January 1, 2018. A program on their well known and successful Purchasing Academy. 16 members attended the session, which is a good turnout for our small chapter.

On March 9, 2017, Paula Cone of HdL Coren & Cone returned to the Central Coast to present a program on property taxes specifically for taxing entities in the Santa Barbara and San Luis Obispo counties. Paula presented on the upcoming 2017-18 fiscal year estimates as well as Prop 8 issues affecting property tax valuations. Members in attendance received individualized reports for their agency for the upcoming year. 27 members attended the meeting.

On May 11, 2017, Lloyd de Llamas, Executive Chairman of the HdL Companies and supporter of CSMFO, presented a sobering assessment of retail sales forecasts as the program. Lloyd provided some startling figures on retail closures nationwide and opportunities for local agencies to diversify. There was also some discussion on the timing of the end of the "Triple Flip" that occurred with final distributions by Counties in August 2017. 13 members were in attendance at the meeting. This was the Central Coast Chapter's final chapter meeting for Carolyn Galloway-Cooper. Carolyn, the Chapter Vice Chair, retired from the City of Buellton at the end of June. The group wished Carolyn well in retirement.

On July 13, 2017, Mary Beth Redding, Vice President of Bartel & Associates, presented on the challenges of future retirement costs on agencies in CalPERS. Mitigation strategies were presented as well as potential additional changes CalPERS may be considering in the future. Mary Beth used an analysis done for a chapter city for the presentation showing the projected future costs for safety and non-safety programs for the next 30-year years adding to the 8 year projections provided by CalPERS in their recent valuations and the analysis of the CalPERS decision to reduce their projected investment growth target from 7.5% to 7.0% at the end of 2016.

The next regular meeting, was delayed to September 21, 2017 due to conflicts with the California League of Cities annual conference. Doug Jensen of MuniServices was scheduled to present on municipal revenues, trends and future options, and was represented by Robert Hamud, also of MuniServices. The session was well attended with 12 members in attendance. This was the first meeting missed by the Chapter Chair since becoming the Chair.

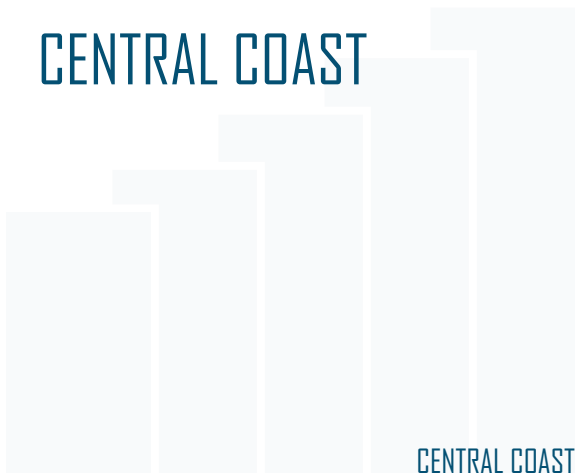
The Central Coast is unique in how it operates Chapter meetings in that there are no meeting charges for registration. Rosa's Restaurant has been accommodating for several years to allow the group to buy off the menu and each members pays their own way. This is only available due to the generosity of speakers of their time and effort to get to our part of the state. However, by utilizing the registration resources made available by the CSMFO Board, the Chapter has been able to secure speakers that had not been available to the Chapter in the past. Neil Kupchin was the first speaker the Chapter secured using the resources available from CSMFO in November 2016.



It has been the long-term goal of the Chapter to secure Michael Coleman as a speaker since CSMFO contracted with Michael to expand his presence to more Chapters. Michael has NEVER been a speaker at a Central Coast Chapter meeting! The Chapter reached out to Michael in November 2016 about availability to speak at any one of the Chapter's regular meetings. Michael was booked for each and every date. However, Michael offered an alternative date in October 2017 due to a pre-existing visit he had scheduled to the San Luis Obispo area. Due to this visit, Michael had additional time available for the Chapter and offered to provide two mini-workshops in an expanded Chapter meeting. Due to the anticipated attendance, the meeting was moved from the Chapter's traditional location to the San Luis Obispo Main Library and scheduled for October 20, 2017. With significant support from San Luis Obispo City staff, the meeting was a great success. Michael's two programs were "Issues in Local Government Reform" and "Diagnosing Financial Health." The second program focused on Michael's Diagnostic tool available from his website, CaliforniaCityFinance.com. 35 members attended including several invited City Managers and General Managers, as well as some northern members of the Channel Counties Chapter. Without the support of the CSMFO Board and the CSMFO registration system, programs such as Neil's would be impossible to hold at our remote chapter.

We would like to thank Carolyn Galloway-Cooper for her dedication in organizing the Chapter meeting programs since she volunteered to be the Chapter's Vice Chair in 2014. The Chapter has not yet identified a new Vice Chair. The Chapter is looking for a volunteer to be the Vice Chair! Through the year, the Chapter enjoyed the participation of commercial members of CSMFO who bring their perspective to our meetings. Thanks go out to all the members (and future members!) of the Central Coast Chapter for making this a successful year.

CENTRAL COAST



CHAPTER REPORTS

CENTRAL LOS ANGELES & SOUTH-BAY

CENTRAL LOS ANGELES & SOUTH-BAY CHAPTERS CHAIR REPORT

Chairs: Monica Lo, City of Whittier (CLA) and Jeff Muir, City of Culver City (SB)
Vice Chair: Joe Lillio, El Segundo (SB)

The Central-LA & South-Bay chapters continued to host joint meetings in 2017, all in an effort to increase both attendance and volunteer participation. The chapters cover a densely populated geographic area that reaches north to the City of West Hollywood, east to the City of Industry, and south to the City of Long Beach; and encompasses 46 cities.

The Chapters had their first joint meeting on April 27, 2017 with Rasch Cousineau, Senior Consultant from Hyas Group, LLC. Mr. Cousineau presented the "Five Tips for Creating An Ideal Retirement Plan". The meeting was held at the City of Paramount's Progress Park Plaza West with an attendance of 51 members and vendors.

On June 22, 2017, Michael Coleman provided a legislative update for California at the Carson Community Center. There were 40 municipal and commercial members in attendance.

On August 24, 2017, Roger Alfaro, Partner from Vavrinek, Trine, Day & Co., LLP presented a "GASB Update" in preparation for some of the cities' independent audits. The meeting was also held at the City of Paramount's Progress Park Plaza West with 60 attendees.

On October 25, 2017, Doug Jensen of MuniServices provided a "Discussion of Long- and Short-Term Revenue Trends", which included options available to offset eroding local tax revenues. The meeting was held at the City of Carson's Community Center with an attendance of 31 municipal and commercial members.

On December 5, 2017, the Chapters held the annual holiday luncheon at the Cheesecake Factory in Redondo Beach. The presenter was Andy Nickerson from HdL who provided a presentation on Sales Tax Trends. There were 44 municipal and commercial members in attendance.

Monica and Jeff will continue to volunteer and serve as Chapter Chairs for their respective chapters for 2018, with Joseph Lillo continuing to serve as Vice-Chair for the South Bay Chapter.

CENTRAL LOS ANGELES & SOUTH BAY



CHAPTER REPORTS

COACHELLA VALLEY

COACHELLA VALLEY CHAPTER CHAIR REPORT

Chair: Karla Campos, City of La Quinta
Vice Chair: Isaiah Hagerman, City of Rancho Mirage

Chapter meetings for 2017 averaged between 40-50 attendees. Participants overall have enjoyed the opportunity to gather and share information on a continuous basis. The chapter revitalization continued by sharing relevant topics for the region. The following is a list of events held by the Coachella Valley chapter in 2017:

FEBRUARY 22, 2017 – MARIJUANA POLICY FROM A FINANCE PERSPECTIVE

By: David McPherson and Matt Eaton, HdL Companies

On the heels of Proposition 64 passing, David and Matt provided an enlightening presentation on new cannabis regulations and how they will impact local governments. From cash handling, to regulation, and reporting. Several cities in the Coachella Valley have embraced cannabis cultivation and sales. This presentation allowed finance professionals the opportunity to hear from two experts in the industry and have a voice as cities turned to draft policies and oversight.

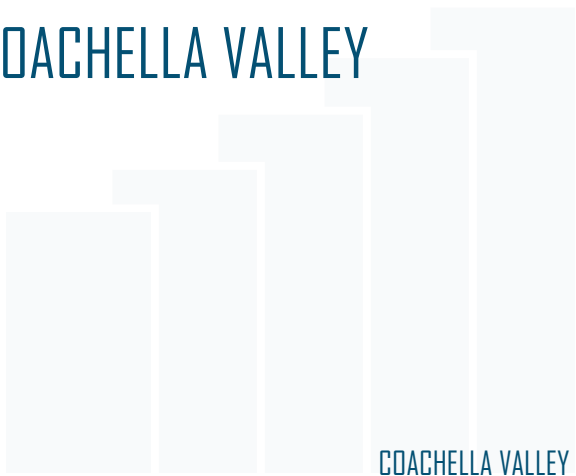
MARCH 29, 2017 – INTRODUCTION TO GOVERNMENT ACCOUNTING

MAY 24, 2017 – GASB AND REGULATORY COMPLIANCE UPDATE

By: Bryan Gruber, CPA, Lance, Soll & Lunghard, LLP

With charm and relevant references, Bryan provided attendees a current look at relevant GASB pronouncements and compliance items. The event was also the first chapter meeting offering CPE credits. The addition of CPE certificates was well received but did not increase attendance overall. The chapter will continue to seek topics of interest that can offer CPE credits.

COACHELLA VALLEY



AUGUST 9, 2017 – CONTINUING DISCLOSURE AND OTHER ANNUAL REPORTING REQUIREMENTS FOR BOND ISSUERS

By: Danielle Wood, NBS Gov.

The session discussed what information should be considered when preparing an annual filing as well as a discussion on rating changes, the use of EMMA and other industry standards for responsible municipal securities issuers. In addition, the consequences of missing filings as well as some of the most common mistakes made when reporting were discussed. Participants left with an understanding of best practices for following continuing disclosure agreements.

NOVEMBER 16, 2017 – STRATEGIES FOR MANAGING RISING PENSION COSTS AND OPEB LIABILITIES

By: Jennifer Meza, PARS and Christiane Tsuda, HighMark Capital Management

This was a hot topic with the PERS Board meetings on the same week reviewing the asset allocation portfolio strategies, which contemplated lowering the discount rate further. During the session, attendees were provided reasons why they should consider funding outstanding liabilities, options available to address pension liabilities and stabilize pension costs, and managing retiree healthcare obligations.

This session closed out our meetings for 2017 and the chapter emailed a one-minute video to all chapter members thanking them for their participation and support in 2017 and enticing them to attend future meetings in 2018. We look forward to a productive, fun, and visionary 2018.

COACHELLA VALLEY



CHAPTER REPORTS

INLAND EMPIRE

INLAND EMPIRE CHAIR REPORT

Chair: Steve Heide, Chino Valley Fire District
Vice Chair: Stephanie Reimer, Monte Vista Water District

During 2017, the Inland Empire Chapter held six luncheon events, smashing our previous average registered attendance record from 2016. In 2017 we averaged 124 per meeting, compared with an average of 97 in 2016 and 95 in 2015. Our premier events were the bookends of our 2017 schedule, starting with our 8th annual Inland Empire Economic Outlook in January, and ending with our 2nd annual holiday luncheon meeting at the historic Mission Inn in Riverside in December. Total registered attendance for all meetings combined was 744 in 2017, compared to 2016 at 580, and 568 in 2015.

Also for the first time on record, we did not host a meeting this past year with less than 100 registered attendees. Our meetings were held at The Riverside Convention Center (RCC), Dave & Busters in Ontario (D&B), and The Mission Inn (MI). Chapter meeting dates and topics for 2017 were as follows:

- January 19 (RCC) – We hosted 160 engaged registrants for our 9th annual Inland Empire Economic Outlook with local economist, Dr. John Husing. Dr. Husing's presentations on the state of the Inland Empire economy are always highly informative and are generally our highest attended meeting of the year, with 2017 being no exception.
- March 16 (D&B) – Roger Alfaro from Vavrinek, Trine, Day & Co., LLP, presented our annual 2017 GASB Chapter update to 107 enlightened finance professionals interested in a refresher on changes present and future to government accounting standards.
- May 18 (RCC) – In May, Kerry Worgan from CalPERS held an open dialogue with 107 eager attendees on everything retirement plan related.
- July 20 (D&B) – In a "Change Your Culture, Change Your Life" presentation by the City of Ontario finance team, led by Grant Yee, 125 enthusiastic attendees had the privilege and opportunity to hear about how Ontario is turning the traditional local government work environment on its ear, with a maverick philosophy and approach to conducting the everyday day business of the people.

- September 21 (RCC) – California State Treasurer John Chiang and CDIAC Executive Director Mark Campbell joined us in the Inland Empire along with 115 exhilarated friends to discuss the latest initiatives in the State Treasurer's Office.
- December 7 (MI) – Retired U.S. Navy Seal John MacLaren spoke to 130 exuberant participants at our 2nd annual holiday luncheon for a "Leadership in Action" presentation on leadership and teambuilding principles.

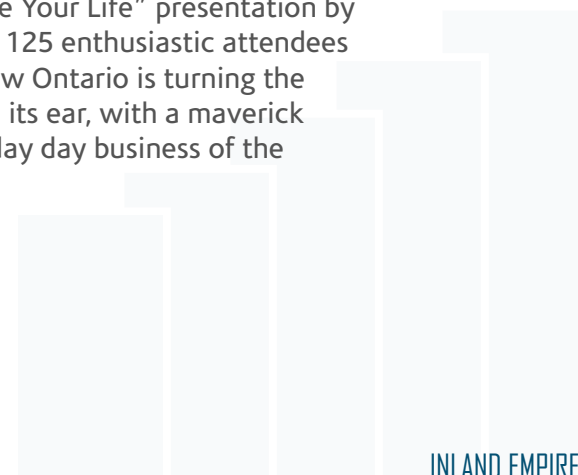
Chapter Goals for 2018

The Chapter is planning six events again for the year, beginning with our 9th Annual Inland Empire Economic Outlook at The Riverside Convention Center in January, allowing our attendees to preview the conference site for the 2018 Annual Conference. Our local goal is to reach at least the attendee count of this last year, although that is admittedly a tall order given our record setting attendance in 2017.

As part of the Inland Empire Chapter's continuing succession plan, after our January meeting, Steve will be stepping down as chair, and Stephanie will serve as the new chair. We're pleased to welcome Dustin Andolsen from the City of Pomona to the chapter leadership team as vice chair in this transition. Steve will continue to stay actively involved with chapter leadership in 2018 as we transition the chair and vice chair roles.

Special thanks to Carrie Corder of the Cucamonga Valley Water District and Debbie Rosales from Family Service Association for their active behind the scenes support this past year. Carrie and Debbie were right there all year to help with whatever needed doing.

INLAND EMPIRE





CHAPTER REPORTS

MONTEREY BAY

MONTEREY BAY CHAIR REPORT

Chair: Tori Hannah, City of Pacific Grove
Vice Chair: Lauren Lai, City of Marina

This has been an exciting year for the Monterey Bay Chapter. Chapter meeting registration continues to be strong, with attendance ranging from 40 -55 representatives from various local cities, counties, special districts, and private vendors. In October, the Chapter celebrated record-breaking attendance, with over 75 registrations. This meeting included presentations by Michael Coleman; and a panel focusing on the impacts of cannabis on local governments, with representatives from HdL, Weedmaps, MGO, and the Monterey County Cannabis Association.

In addition, to the festivities associated with the annual holiday event, the December meeting also marked Lauren Lai's last meeting as Co-Chair. Over the last few years, Lauren's dedication and exceptional leadership has fostered stronger regional relationships and increased educational opportunities for chapter members. Cheryl Fyfe from the City of Santa Cruz, will be assuming her role as Co-Chair in the New Year.

The Monterey Bay Chapter operates with the goal of providing membership with topics that are "regionally relevant", academic, and fiscally strategic. A listing of the quarterly events are presented below:

- | | |
|----------|--|
| April | <ul style="list-style-type: none">• Fiduciary Risk in Deferred Compensation Plans• Mitigating Employee Fraud – Red Flags, COSO, and a Case Study |
| June | <ul style="list-style-type: none">• GASB Update and Regulatory Compliance Review• CalPERS Compliance Reviews and Common Pitfalls |
| October | <ul style="list-style-type: none">• Michael Coleman Report – State of the State and Local Government• Powerful Panel Discussion on the Impacts of Cannabis in Local Governments |
| December | <ul style="list-style-type: none">• Legislative Update and Making a Difference Through Public Service• CalPERS: Trends, Funding Strategies, and Pension Reform |

We thank our members, presenters, and private vendors for their continual support of these meetings, the knowledge sharing, relationship building, and mostly, enhancing our ability to contribute to our respective agencies. We are very much looking forward to providing a forum for local members to grow professionally and share information.

MONTEREY BAY





CHAPTER REPORTS

SACRAMENTO

SACRAMENTO VALLEY CHAPTER CHAIR REPORT

Chair: Nitish Sharma, City of West Sacramento
Vice-Chair: Robin Bertanga, City of Yuba City

2017 was the Sacramento Valley Chapter's first year with its new Chair, Nitish Sharma. The Chapter met three times this year, trying to go to different areas and venues for each meeting. The holiday meeting was held in Downtown Sacramento at the Sheraton Grand.

The meetings held were:

- May 31, 2017, this meeting was held at the Boathouse in West Sacramento and featured Michael Coleman speaking. The topic of discussion was "A Local Government Finance Update."
- September 7, 2017, this meeting was held at the Sacramento Regional Fire Training Center in Rancho Cordova. The speakers were Mary DeLaRosa and Fran Mancina of MuniServices, speaking on Sales & Use Tax and the Impact of Online Sales. This meeting also features David Farma and James Wawrzyniak of Jones Hall, speaking on Municipal Finance from a Legal Perspective.
- December 7, 2017, this was our holiday meeting, held at the Sheraton Grand in Sacramento. The featured speakers for this meeting were Laura Slater and Andrea Sweetnam of Enterprise Fleet Management, speaking on the Advantages and Uses of Fleet Management.

The Sacramento Valley Chapter is looking forward to holding quarterly meetings in diverse locations in 2018.

SACRAMENTO



SACRAMENTO

CHAPTER REPORTS

ORANGE COUNTY

ORANGE COUNTY CHAPTER CHAIR REPORT

Chair: Stephen Parker, City of Stanton
Vice Chair: Jenny Leisz, City of Tustin

2017 was a great year for the Orange County Chapter. The Chapter met six times this year, primarily sticking with our regular meeting date of the third Thursday of even months at the Dave & Busters at the Outlets at Orange, with our Holiday Luncheon being held at the Aliso Viejo Center.

The average attendance of the meetings was over 90 people, with over 125 attending our December holiday luncheon. The meetings held were:

- March 2, 2017. "CalPERS Rates: Where Are They Going – and What You Can Do About It" presented by Kerry Worgan of CalPERS. (79 RSVP)
- April 6, 2017. "Sales Outlook and Impacts of Prop 64," presented by Andy Nickerson and David McPherson of HdL Companies. (61 RSVP)
- June 15, 2017. "Annual GASB Update," presented by Jennifer Farr of DavisFarr LLP. (107 RSVP)
- August 24, 2017. "Financial Update for California Cities," presented by Michale Coleman. (96 RSVP)
- October 19, 2017. "Legal Update," presented by Oliver Yee of Liebert Cassidy Whitmore. (62 RSVP)
- December 15, 2016. "Expressing Appreciation and Thankfulness in the Workplace" presented by Neil Kupchin. (136 RSVP) Thanks to Fieldman Rolapp & Associates, Urban Futures, Inc., Harris & Associates, and Willdan Financial Services, for sponsoring the event and allowing the plated luncheon to cost only \$30 per person.

We would like to offer our appreciation to our wonderful commercial vendors who provided gift cards and other gifts to be raffled off at each meeting. Thank you for your generosity.

ORANGE COUNTY



CHAPTER REPORTS

SAN GABRIEL VALLEY

SAN GABRIEL VALLEY CHAPTER CHAIR REPORT

Chair: Tracey Hause, City of Temple City
Vice Chair: June Overholt, City of Glendora

The San Gabriel Valley Chapter held six meetings between January 2017 and December 2017, all at the Courtyard Marriott in Monrovia, California.

January 18, 2017. Peter Yanez, Vice President, Multi-Bank Securities spoke on time saving technology for investing.

March 15, 2017. Jasmine Nachtigall-Fournier, Co-Founder and President of GovInvest presented information on the CalPERS discount rate, highlights and updates to GASB 45 and GASB 75 and suggestions for improving costing of labor negotiations.

May 17, 2017. Scott Thorpe from Revenue and Cost Specialists and Chu Thai of the City of Monterey Park presented information of impact fees for built out cities.

July 19, 2017. Robert Hamud, Client Services Manager of MuniServices spoke about Proposition 64 and marijuana policies.

September 20, 2017. Michael Coleman, Fiscal Policy Advisor to the League of California Cities and CSMFO presented a finance and legislative update for California cities, counties and special districts.

November 15 2017. David Krout, Managing Partner, ClientFirst Consulting Group spoke on maximizing enterprise application software (ERP).

SAN GABRIEL VALLEY



SAN GABRIEL VALLEY

CHAPTER REPORTS

CHANNEL COUNTIES

CHANNEL COUNTIES CHAPTER CHAIR REPORT

Chair: Melinda Brodsky, City of Agoura Hills
Vice Chair: Christy Pinuelas, City of Agoura Hills

The Channel Counties Chapter encompasses the County of Ventura, the northern area of Los Angeles County and the southern area of Santa Barbara County. We have a large number of attendees from the County of Ventura, various local cities, several special districts and commercial members. Members from other chapters are also welcome.

Our bi-monthly meetings were held at the Los Robles Greens Golf Course banquet facility in Thousand Oaks, and the year-end meeting was held on November 30, at the City of Agoura Hills Event Center. Each meeting included a buffet lunch catered by the golf course. The Holiday meeting in November was catered by DJ's Catering.

THE MEETINGS IN 2017 FEATURED THE FOLLOWING TOPICS AND SPEAKERS:

- "What you Need to Know About Bank Fraud" Jeannie Kabilafkas, Wells Fargo Bank
- "Cal Pers Rates, How did we get here, and where are we going" Mary Beth Redding, Bartel Associates
- "GASB and Regulatory Compliance Update" Bryan Gruber, LSL
- "Sales Tax Trends and Future Outlooks," Bobby Young, HDL
- "Financial & Legislative Update for California Cities, Counties and Special Districts" Michael Coleman
- "5 Decision Making Traps & How to Conquer them to ensure a Successful 2018" Michael Veltri, Motivational Speaker

Our chapter participation continued to be consistent and ranged from 29 to 45 per meeting in 2017.

CHANNEL COUNTIES



CHAPTER REPORTS

PENINSULA

PENINSULA CHAPTER CHAIR REPORT

Chair: Richard Lee, City of South San Francisco
Vice Chair: Tim Kirby, City of Sunnyvale

2017 marked the most active year for the Peninsula Chapter in its history, with five meetings and over two hundred attendees. With special thanks to our commercial sponsors for 2017: PFM, Urban Futures, NBS, and Piper Jaffray. Our most active year would not have been possible without their support.

The first chapter meeting of the year took place in March. Steven Levy, Director and Senior Economist of the Center for Continuing Study for the California Economy (CCSCE), provided his unique perspective on the local economy. Kevin Harper, CPA, discussed Cash Handling: The Seven Deadly Sins. Our appreciation to Derek Rampone and his staff at the City of Redwood City for being excellent hosts!

In May, Tim Kirby, Vice Chair of the Peninsula Chapter, hosted the meeting at the City of Sunnyvale. Deanna Santana, City Manager of the City of Sunnyvale, discussed negotiating community benefits. James Fabian, Principal with Fieldman, Rolapp & Associates, provided a presentation on municipal debt issuance and bonds. After the chapter meeting, we were treated to a tour of the new public safety building, including the indoor shooting range.

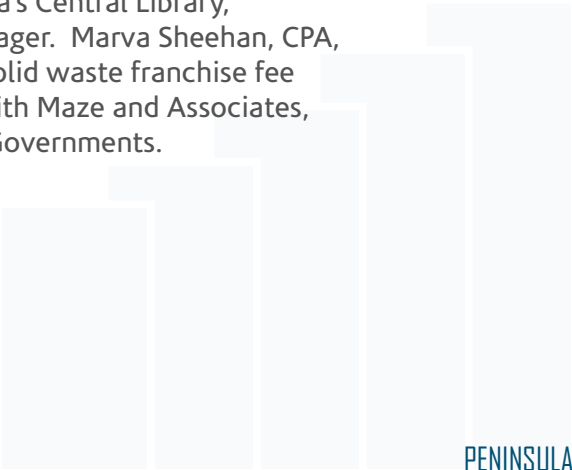
In July, our speakers were Michael Coleman, Principal Fiscal Policy Advisor for CSMFO and the League of California Cities, and Scott Johnson, Lead Partner with Macias, Gini and O'Connell, and CSMFO Past President. Michael provided the latest update on the state's budget and fiscal matters, and Scott provided a presentation on Mitigating Employee Fraud. Thanks to the great hospitality from Thomas Fil, CSMFO Past President, and Christine Paras at the City of Belmont.

In October, the chapter met in the City of Santa Clara's Central Library, graciously hosted by Tamara Haas, Deputy City Manager. Marva Sheehan, CPA, and Vice President of HF&H Consultants discussed solid waste franchise fee audits. Don Hester, Information Systems Director with Maze and Associates, presented Ransomware and Cybersecurity in Local Governments.

The annual holiday luncheon was held in downtown San Mateo at Vault164. Our special guest speaker was Michael Colantuono, noted legal expert on municipal revenue law. Michael discussed Hot Topics in Local Government. The Peninsula Chapter is home to several CSMFO Past Presidents, two of which were in attendance: Thomas Fil (2009) and Jesse Takahashi (2015). Drew Corbett, CSMFO's President for 2017 was also in attendance.

Next year is off to an exciting start! The Peninsula and East Bay Chapters will be holding a "super chapter" meeting, with a discussion panel comprised of Dr. Joe Nation, Professor of the Practice of Public Policy and Project Director of Pension Tracker (www.pensiontracker.org) from Stanford University and John Bartel, President of Bartel Associates. Stay tuned!

PENINSULA





LEAGUE OF CALIFORNIA CITIES REPORTS ENVIRONMENTAL QUALITY POLICY

APPOINTEE: KATHRYN DOWNS, CITY OF CARSON

The League's Environmental Quality (EQ) Policy Committee monitors proposed legislation relevant to environmental issues in California. The 2017 work program included support of the League's strategic goals, specifically water infrastructure funding; as well as issues surrounding air quality, landfills, and refineries. The full EQ Committee met three times during 2017.

On January 20th, the EQ received a presentation from the Water Board on the California drought and water conservation.

The Committee formed four subcommittees to focus on CEQA, Storm Water, Delta Water Conveyance, and Community Choice Aggregation. I was added to the Storm Water Subcommittee; and we met on March 2nd to propose revisions to the "Financial Considerations" of the League's California Water Guidelines. The proposed revisions make clear that any agency regulating storm water should help develop a revenue source for cities to comply.

On March 31st, the EQ received an informational presentation from Judy Mitchell, a Board Member of the California Air Resources Board (CARB). Board Member Mitchell highlighted the Board's continued support to meet emissions reduction goals, and extend the Cap & Trade program.

The following actions were taken by the EQ during the legislative review portion of the agenda.

- Based upon a discussion with mixed reactions to SB 5 for \$3 billion of bonds to address drought and drinking water projects, parks and flood protection; EQ acted to "watch" the bill.
- There was a very spirited discussion on Hertzberg's SB 231 to add storm water fees to the list of property-related fees not subject to Prop 218. EQ supported SB 231 by a vote of 21-20. The dissention preferred to address unfunded mandates, and not to alter Prop 218 without returning to the voters.
- The EQ "supported" SB 541 to require development of best practices for water capture design standards for school facilities.
- Due to a potential loss in property tax revenue, EQ took a "watch" position on SCA 9 & SB 558, which would exclude rain water capture systems from property tax assessment.

The EQ accepted a number of proposals from the Subcommittees; including the revisions noted above from the Storm Water Subcommittee, and amendments to the EQ guiding principles to add support for Community Choice Aggregation and discourage frivolous CEQA lawsuits.

On June 9th, the EQ held a joint meeting with the Transportation, Communications & Public Works (TCPW) Policy Committee. We discussed SB 231, the Hertzberg proposal to add storm water fees to the list of property-related fees not subject to Proposition 218. The final count for the EQ was: 26 support & 12 oppose, and the final count for TCPW was: 22 support & 10 oppose.

After the joint meeting, the EQ met separately and received an informational presentation regarding California Water Fix, which would update the Sacramento-San Joaquin Delta tunnels. Cal Water Fix would cost another \$5 per month per household.

Finally, the EQ revisited SB 5 (De Leon) proposing a June 2018 ballot measure for \$3.5 billion in bonds to fund parks, drought and drinking water projects, and flood protection. The EQ took action to unanimously support if amended to maximize the per capita allocation.

ENVIRONMENTAL QUALITY POLICY



LEAGUE OF CALIFORNIA CITIES REPORTS COMMUNITY & ECONOMIC DEVELOPMENT POLICY

APPOINTEE: DON HARRISON, CITY OF BEVERLY HILLS

The Housing, Community and Economic Development Policy Committee undertook the following actions related to the League's strategic goals adopted for the 2017 year:

1. Increase Funding for Critical Transportation and Water Infrastructure.

- The Housing, Community and Economic Development Policy Committee provided an opportunity for updates and status reports from League staff during quarterly committee meetings on relevant efforts to increase funding for critical transportation and water infrastructure.

2. Develop Realistic Responses to the Homeless Crisis.

- The Housing, Community and Economic Development Policy Committee received frequent updates regarding the CSAC-League Joint Homelessness Task Force, which was established in September 2016. The Task Force met four times and is currently finalizing a final report.

3. Improve the Affordability of Workforce Housing and Secure Additional Funds for Affordable Housing.

- The Housing, Community and Economic Development Policy Committee received frequent updates from League staff on SB 2 (Atkins) Real Estate Recordation Fee and SB 3 (Beall) \$4 billion general obligation bond, both to measure new funding is provided for affordable housing.

- The Housing, Community and Economic Development Policy Committee received a presentation from Brian Uhler, with the Legislative Analyst's Office (LAO), regarding the LAO's report titled, "A Look at Recent Progress Toward Statewide Housing Goals." Mr. Uhler reported that home building had marginally recovered from the Great Recession. The report highlighted that most coastal counties were meeting or nearly meeting their Regional Housing Needs Allocation (RHNA) goals while home building in inland counties had mostly fallen short of RHNA goals.

- Tony Sertich, Director of Multifamily Programs, CalHFA, gave a presentation on partnerships with local governments to encourage the construction of Accessory Dwelling Units (ADUs). CalHFA has been working with interested local governments on leveraging local and state resources to help address the affordable housing challenge gripping many regions of the state.

- The Housing, Community and Economic Development Policy Committee took action and made recommendations to the Board on the following bills:

- o AB 190 (Steinorth) Design Review Timeline - Requires public agencies to approve or disapprove the design of a development within 30 days. Recommendation to the Board – Oppose

- o AB 565 (Bloom) Building Standards: Artists' Housing - Requires a city or county to adopt alternative building regulations for the conversion of commercial or industrial buildings to joint living and work quarters. Recommendation to the Board – Oppose.

- o AB 886 (Bloom) Safe Creative Work and Live Act - Requires all cities and counties to establish a safe and creative work and live program that protects 13tenants and provides a new process for landowners to permit illegal buildings. Recommendation to the Board – Oppose.

- o AB 663 (Bloom) Coastal Resources: Low- and Moderate-Income Housing - Requires, until January 1, 2023, housing opportunities for persons of low and moderate income to be protected, encouraged, and where feasible, provided by the California Coastal Act. Recommendation to the Board – Oppose

4. Address Public Safety Impacts of Reduced Sentencing Laws, Protect Local Priorities in the Implementation of AUMA, and Preserve City Rights to Deliver Emergency Medical Services.

- The Housing, Community and Economic Development Policy Committee provided an opportunity for updates and status reports from League staff during quarterly committee meetings on relevant efforts to address public safety impacts of reduced sentencing laws, protect local priorities in the implementation of AUMA, and preserve city rights to deliver emergency medical services.



In addition to supporting the League's Strategic Goals, the HCED committee also:

- Received a detailed presentation from the California Association for Local Economic Development (CALED) and the Siskiyou County Economic Development Council, which outlined strategies and tools to revitalize brownfields.
- Received a presentation from Jamie Gomes and Ellen Martin of Economic and Planning Systems (EPS) focused on the new Tax Increment Finance (TIF) Guide. The TIF Guide highlights post RDA tools.
- Received a presentation from John Andrews, Economic Development Director, City of Ontario, on the exciting work being done to attract businesses, housing developers, and plan for smart growth. Amongst the recent activity, the City recently gained control of the Ontario Airport and is focused on increasing cargo activity through its terminals. The City is currently experiencing a healthy industrial base and is making investments in a high tech fiber network. The city of Ontario is currently in phase one of an Enhanced Infrastructure Financing District (EIFD) analysis that will potentially bring additional public and private investments to its downtown and newly established planned communities that boast mixed-use developments.
- Received an update from Dan Carrigg, Deputy Executive Director, Legislative Director, on the current program redesign process proposed by the California Department of Housing and Community Development (HCD). The redesign focused on the administration of the Community Development Block Grant (CDBG) funds for non-entitlement cities, which are those with populations less than 50,000.

COMMUNITY & ECONOMIC DEVELOPMENT POLICY



LEAGUE OF CALIFORNIA CITIES REPORTS PUBLIC SAFETY POLICY

APPOINTEE: ROBIN BERTAGNA, CITY OF YUBA CITY

The League of California Cities Public Safety Policy Committee is presented with issues impacting public safety agencies throughout the state. Most participants on the Committee are elected officials and public safety employees and policy discussions tended to focus on the issues from this perspective and the importance of maintaining local control in decision making.

Hot topics in 2017 included:

- The legalization of recreational marijuana.
 - AB 186 which would authorize specific counties or cities within the Counties of Alameda, Fresno, Humboldt, San Francisco, San Joaquin and Santa Cruz to allow entities to operate and maintain supervised injection services supervised by health care professionals where persons who use intravenous drugs may consume them in a safer supervised fashion. The goal of this bill was to reduce morbidity and mortality by providing a safe environment for more hygienic drug use and by training clients in safer drug use.
 - AB 413 which would authorize a victim of domestic violence who is seeking a restraining order from a court to record a confidential communication made to him or her by the perpetrator, where the victim reasonably believed that such a communication may contain evidence germane to the restraining order.
- In September, 2017, the Public Safety Policy Committee voted to recommend two general resolutions to the League of California Cities General Resolutions Committee including:
- A Resolution of the League of California Cities calling upon the Governor and Legislature to enter into discussion with League and other public safety stakeholders to identify and implement strategies that will reduce the unintended negative impacts of existing criminal law (specifically AB 109, Proposition 47, Proposition 57).
 - A Resolution of the League of California Cities supporting legislation amending Government Code Section 38611 to clarify the definition of local control providing broad statutory authority for local officials to determine emergency service levels and direct emergency medical response within their jurisdictions.

PUBLIC SAFETY POLICY



LEAGUE OF CALIFORNIA CITIES REPORTS REVENUE & TAXATION POLICY

APPOINTEE: MARCUS PIMENTEL, CITY OF SANTA CRUZ

During 2017, the Committee held three meetings (the fourth was cancelled but would have been during the League's 2017 conference).

The Committee was led by Chair Kirsten Keith, Mayor of Menlo Park and Vice-Chair Bob Biery, City Treasurer of Westlake Village. It was supported by Dan Carrigg of the League. It included 63 members in total, appointed from League Departments, League Divisions, from Caucus and Affiliate (like CSMFO) appointments, League Presidential appointments and League partners (industry). Of the 63 members, just over half were elected officials.

During the meetings, the committee received a mix of general information, updates on potential legal changes, provided input to the League on future policy measures, and was tasked to recommend that the League either support or oppose certain bills being proposed.

Voting:

The Committee heard testimony on, deliberated, and voted to recommend that the League either support or not support the following four (4) bills:

SB 742 (Moorlach). City Treasurer Requirements. Committee voted to support (21 yes vs 16 no).

A substantive part of this bill amended Government Code to require that if a City issues bonds, it must adhere to Generally Accepted Accounting Principles (GAAP). The Revenue and Tax committee voted to support this bill on a 21 vs. 16 vote. Ultimately, the Governor signed this bill into law in July 2017.

AB 804 (C. Garcia). Authorize State Controller to audit internal controls. Committee voted to oppose (unanimous).

This bill authorizes the State Controller to audit any local agency's Internal Controls to determine if they are adequate to detect and prevent financial errors and fraud. The Revenue and Taxation Committee unanimously opposed this bill. Ultimately, the Governor signed this bill into law in September 2017.



SB 558 & SCA 9 (Glazer). Exemptions related property tax reassessments. Committee voted to support (unanimous).

SB 558 would provide the legal framework to support Senator Glazer's proposed Senate Constitutional Amendment #9 (SCA 9) that, when a taxpayer installs a rainwater capture system, that construction would not trigger a property tax reassessment. This amendment would add to the existing exemptions for solar systems, fire sprinkler systems, improvements for disabled accessibility and seismic retrofits. SB 558 is still active but was referred back to State Committee for additional analysis.

AB 274 & ACA 2 (C. Garcia). Expanded Sales Tax Base to include "Candy". Committee voted to support (24 yes vs 10 no)

Assembly Constitutional Amendment #2 (ACA 2) would begin by imposing sales and use tax on all food products but then authorizes the Legislature to define the exemptions from taxation. AB 274 would then exempt all food products from sales and use tax except for candy, confectionery, and processed snacks. While these bills remain in committee, the committee hearings were cancelled by the author, Assembly Member Garcia.

General discussions:

During the year, the following topics were discussed and/or general feedback was provided to league staff.

- SB1 Transportation (gas tax) increase
- Pension Reform report by the League's Pension Task Force
- The State's process for their own internal Pension pre-payment
- The League's efforts on Sales tax reform.
- State Controller Betty Yee's efforts for system wide tax reform.
- State Budget briefings
- Utility Users Tax reform and development of AB 252. AB 252 would have restricted local control to include within Utility Users Tax streaming content; under the concept of building a better Utility Users Tax for local agencies that would be better insulated from industry legal challenges
- Cannabis regulation and implementation.
- Application of Business License taxes to services like Uber and Lyft; and proactive planning for driverless car pickups



2017 Work Plan:

In addition to its normal workload, the committee will focus on supporting the 2017 goals adopted by the League Board of Directors. The 2017 strategic goals include:

1. Increase Funding for Critical Transportation and Water Infrastructure
2. Develop Realistic Response to the Homeless Crisis
3. Improve the Affordability of Workforce Housing and Secure Additional Funds for Affordable Housing
4. Address Public Safety Impacts of Reduced Sentencing Laws, Protect Local Priorities in the Implementation of AUMA, and Preserve City Rights to Deliver Emergency Medical Services.

In addition, the committee will focus on and monitor the issues below, which may or may not directly relate to the 2017 Goals:

- Remain informed on legislation, court actions and administrative activity at CalPERS affecting pensions and other post-employment benefits.
- Review federal legislation affecting tax reform. Remain on alert for proposals that could undermine local revenue, affect funding for infrastructure, or shift federal costs and responsibilities.
- Monitor state budget developments, including proposals that may affect local government or provide funding opportunities.
- Continue to monitor and protect vital local revenues including the transient occupancy tax, and utility user's tax.
- Engage in tax reform discussions that may develop at the state level, using recently refined League policies as guidelines.
- VLF and New Incorporations/Annexations: Recent efforts to pass legislation providing a fix to address the fiscal viability of new incorporations and annexations of inhabited areas have been blocked by the Governor. Efforts will continue to get the Governor's attention on the important policy benefits associated with fixing this issue.
- Remain informed and take action, where necessary, to prohibit additional state mandates funded or unfunded.
- Review, when necessary, proposed changes in Board of Equalization regulations that may affect local revenues.

REVENUE & TAXATION POLICY



LEAGUE OF CALIFORNIA CITIES REPORTS TRANSPORTATION, COMMUNICATION AND PUBLIC WORKS POLICY

APPOINTEE: ROBIN BORRE, CITY OF STOCKTON

The policy meetings include both an overview of all committee reports and individual policy committee meetings. There are three meetings a year; one in the months of January, March and June. Each committee provides direction to the League of California Cities on what legislation to watch, support or oppose. The committees are made up primarily of elected (division appointments) with 32 seats and 5 caucus appointments. The remaining members consist of 16 Presidential Appointments and 5 Affiliate seats, and 11 Department seats. There is a total of 69 seats on this committee.

The January meeting in Sacramento kicked off with a State Budget update which focused on the dire situation of local streets and roads and the need for continued efforts to pass a transportation bill. This was a continued effort from the prior year bills of SB1 and others to Fix our Roads. This was a main topic of the Governor's Budget along with his "rainy day" fund. Again, the Governor was proposing a conservative budget with funding being allocated to the reserve, paying down debt and improving infrastructure.

Once in our committee the topics turned to some general housekeeping and orientation before we jumped into the Local Streets and Roads needs Assessment (the Pavement Management Index – PMI). This study is done every few years and looks at the state highways and local roadways on the State Highway system. The local agencies usually have a PMI for their local roadways as well, however this study is on a statewide basis and gives an overall picture of the State's infrastructure. These ratings are used by the Public Works departments to prioritize and identify what kind of treatments is needed for their streets. It also shows how deficient our transportation funds are locally and statewide. These indexes are important to quantify when roads will need full reconstruction or when a certain maintenance treatment is appropriate. Once the roadways reach a certain point the roadway becomes very expensive as it needs to be completely reconstructed. This information is the critical mechanism to identifying unfunded maintenance and future roadway costs. The discussion continued into pending legislation updates via SB1 and AB1 which would adjust the Gas Tax and vehicle registration fees. This was a major topic all year.



We discussed the new Telecommunications bills that were coming down that would allow small cells, and not-so small cells, antennas to be installed on existing city infrastructure in the public right of way. Such infrastructure would be street light poles, traffic signals, controller cabinets and buildings. The local agencies would have little to no control over size, location, number of installations, or aesthetics. There were several pending lawsuits between cellular phone carriers and large cities.

The March meeting was in Ontario. It began with the usual State Budget overview and review of the Federal “Skinny Budget,” or outline of President Trump’s blueprint for federal spending. There were several proposed cuts, eliminating Community Development Block Grants (CDBG), and the HOME Investment Partnerships Program. The proposal also eliminates several other grants, Clean Power Plan, Economic Development Administration and the Minority Business Development Agency. There were also increases to defense spending, Overseas Contingency Operations, Homeland Security and Immigration enforcement. This will all fold into the May revised budget from the state.

The committee discussed the ongoing issues between the taxi cab industry and the new LYFT and Uber services.

Transportation funding continued to be the driving force with an overview and discussion on the new SB1 transportation package that combined with the other related bills into SB1.

Additionally, the committee voted to oppose AB 1103 – Bicycles Yielding, AB 1127 – Baby Diaper Changing Stations, AB 1470 - Bypasses of a City or Business District, and SB 498 – Electric Fleet Vehicles.

The June meeting started off with a State Budget update which included the rollout of the \$2.8 billion in transportation dollars for the recently improved funding sources. The Governor continued to focus on the “Rainy Day Fund” and to address the state pension liabilities. The budget was scheduled to pass on time to meet the June 15th deadline. There were a few pending issues such as cap and trade reauthorization and potential reforms to the state recycling program (Bottle Bill).

There was a brief overview for all the committees on the passage of SB 1, the landmark transportation deal. Local governments should see a 100% increase in the Gas Tax funding over the next two years (FY17/18 and FY18/19) and then the funding continues with built in inflators.

Small cell telecommunications (SB 649) continues to be an issue for local governments. This bill passed, and the Governor vetoed it, saving local government control for planning, environmental and design review.

The Transportation committee met jointly with the Environmental Quality committee to discuss SB 231 and the implications of storm water fees. There was a robust discussion related to the right to vote and Proposition 218. Both committees voted to support the legislation allowing cities needed tools to raise fees for storm water clean-up without the Prop 218 requirements.

The meeting wrapped up with a presentation of Autonomous Vehicles and the future vision of General Motors.

The overarching win for all Transportation was the passage of SB 1 by Senator Beall. Many hours were spent by local agencies, counties, the League and many other groups. This is truly a landmark bill that will provide much needed funding for the state and local roadway system.

TRANSPORTATION, COMMUNICATION AND PUBLIC WORKS POLICY



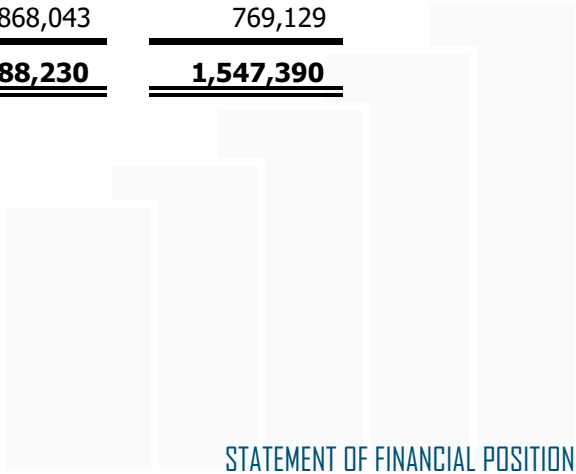


2017 FINANCIALS

STATEMENT OF FINANCIAL POSITION

December 31, 2017 and 2016

	2017	2016
ASSETS		
Current Assets		
Cash and Investments	1,348,002	1,359,032
Accounts Receivable	14,948	0
Other Current Assets	225,281	188,358
Total Current Assets	1,588,230	1,547,390
TOTAL ASSETS	1,588,230	1,547,390
LIABILITIES & NET ASSETS		
Liabilities		
Current Liabilities		
Accounts Payable	36,944	41,130
Other Current Liabilities	642,520	688,255
Total Current Liabilities	679,464	729,385
Total Liabilities	679,464	729,385
Net Assets		
Restricted	40,724	48,876
Unrestricted	868,043	769,129
TOTAL LIABILITIES & NET ASSETS	1,588,230	1,547,390



STATEMENT OF FINANCIAL POSITION

2017 FINANCIALS

STATEMENT OF ACTIVITIES

January 1 through December 31, 2017 and 2016

	2017	2016
Revenue and Support		
Annual Conference	\$828,100	\$863,965
Membership Dues	\$232,200	\$220,740
Website Magazine Ads	\$159,545	\$144,688
Education Workshops	\$90,022	\$119,483
Award Fees	\$18,600	\$17,150
Contributions and Donations	\$1,905	\$1,886
Interest income	\$7,549	\$4,121
Chapter Income	\$106,641	\$96,347
Subtotal Operating Revenues	\$1,444,564	\$1,468,379
Expenses		
Program Services		
Annual Conference	\$728,339	\$855,252
Education Workshops	\$87,295	\$100,348
Chapter Expenses	\$110,344	\$85,724
Subtotal Program Services	\$925,978	\$1,041,324
Operating Services		
Management Services	\$256,121	\$236,137
President's expense	\$3,548	\$4,114
Board & Leadership Support	\$32,558	\$31,868
Office Supplies/Telephone/Postage/Printing	\$17,943	\$20,833
GFOA Reception	\$15,439	\$5,453
Taxes/Filings/Previous Year	\$32,703	\$38,323
Web and technology expenses	\$14,522	\$18,118
Audit	\$8,910	\$9,400
Insurance	\$1,710	\$2,240
Miscellaneous	\$10,353	\$6,625
Magazine	\$14,438	\$22,885
Awards	\$4,936	\$5,793
Merchant Fees	\$14,642	\$15,238
Subtotal Operating Services	\$427,823	\$417,026
Total Expenses	\$1,353,801	\$1,458,350
Total Revenues over Expenses	\$90,762	\$10,029



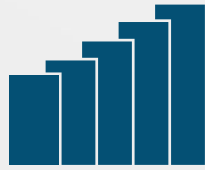
CSMFO 2017 MEMBERSHIP

YEAR	MUNICIPAL MEMBER	COMMERCIAL MEMBER	OTHER GOVERNMENT MEMBER	RETIRED	STUDENT	COMPLIMENTARY	TOTAL
2017	1,940	266	54	79	14	18	2,371
2016	1,823	241	39	68	13	6	2,190
2015	1,711	243	26	67	22	19	2,088
2014	1,526	236	24	59	18	14	1,877
2013	1,449	256	18	59	13	19	1,814
2012	1,417	262	8	65	14	15	1,781
2011	1,299	232	60	60	15	21	1,687
2010	1,264	248	55	58	17	21	1,663
2009	1,288	255	45	45	14	18	1,665
2008	1,362	268	40	41	9	17	1,737
2007	1,158	204	21	28	1	14	1,426
2006	986	204	4	17	1	22	1,234



STATEMENT OF FINANCIAL POSITION





2017 CSMFO ANNUAL REPORT

