



**Tuesday, January 8, 2019**

**1:30 p.m. – 4:30 p.m.**

**Board of Directors Meeting**

Renaissance Palm Springs Hotel, Andreas Room

Call-in: 669 900 6833

Meeting ID: 653-597-383

<https://zoom.us/j/653597383>

1. Introduction 1:30 p.m.
  - a. Welcome/Roll Call
  - b. Additions to Agenda
2. Consent Items 1:35 p.m.
  - a. Approval of minutes from December 13, 2018
  - b. November 2018 financial reports
3. Discussion/Action Items 1:40 p.m.
  - a. 2019 Strategic Plan (Joan Michaels Aguilar)
  - b. Communications Magazine Proposal (Marcus Pimentel)
  - c. CalCPA Education Foundation Agreement Termination (Melissa Dixon)
  - d. Advocacy Guiding Principles (Carrie Corder)
  - e. Leadership Roles and Responsibilities Handbook (Carrie Corder)
  - f. Support for League Appointees (Carrie Corder)
  - g. Advocacy Task Force (Carrie Corder)
  - h. Award of Contract for Certification Program Support (Scott Catlett)
  - i. Professional Standards Committee Goals and Objectives for 2019 (Jason Al-Imam)
4. Committee Reports 2:40 p.m.
  - a. Administration (Kate Zawadzki)
  - b. Career Development (Laura Nomura)
  - c. Communications (Marcus Pimentel)
  - d. Membership (Grace Castaneda)
  - e. Professional Standards (Jason Al-Imam)

- f. Program (Ronnie Campbell)
  - g. Recognition (Sara Roush)
  - h. Technology (Matt Pressey)
- 5. Chapter Roundtable 3:10 p.m.
- 6. Board Member Ad Hoc Reports 3:20 p.m.
  - a. Student Engagement (Jennifer Wakeman)
  - b. Chapter Engagement (Steve Heide)
  - c. Advocacy (Carrie Corder)
  - d. Committee Roles (Karan Reid)
  - e. CSMFO Leadership Academy (Scott Catlett)
  - f. CSMFO App (Richard Lee)
- 8. Officer Reports 4:15 p.m.
  - a. President (Joan Michaels Aguilar)
  - b. Past President (Margaret Moggia)
  - c. President-Elect (Steve Heide)
- 9. Other Items
- 10. Future Topics
- 11. Upcoming Meeting:  
Thursday, February 28, 2019 2:00-4:00 p.m.
- 12. Adjournment 4:30 p.m.



**Thursday, December 13, 2018**

**2:00 p.m. – 4:00 p.m.**

**Board of Directors Meeting**

Via Teleconference

Call-in: 669 900 6833

Meeting ID: 653-597-383

<https://zoom.us/j/653597383>

Margaret Moggia  
Joan Michaels-Aguilar  
Drew Corbett  
Jennifer Wakeman  
Richard Lee  
Scott Catlett  
Carrie Corder  
Steve Heide  
Ernie Reyna  
Laura Nomura  
Sara Roush

Kate Zawadzki  
Craig Boyer  
Grace Castaneda  
Matt Pressey  
Gilbert Punsulan  
Brent Mason  
Mary Bradley  
David Cain  
Nitish Sharma  
John Adams  
Sarah Erck

### **Introduction**

The California Society of Municipal Finance Officers (CSMFO) Board of Directors met on Thursday, December 13, 2018 via teleconference. President Margaret Moggia convened the meeting and confirmed a quorum was in attendance at 2:07 p.m.

### **Consent Calendar**

The Board addressed the consent calendar, which included November financials and minutes from the October 25, 2018 Board of Directors meeting.

Director Jennifer Wakeman moved to approve the consent calendar. Director Steve Heide seconded. The motion passed unanimously.

### **Contract Award for Budget Class Course Materials Development**

Scott Catlett reviewed the process to date. Six firms received the RFP that was developed, two returned proposals. Laura Nomura, Mary Bradley and Scott Catlett reviewed the proposals received and agreed that HDL is the best choice.

The Career Development Committee would like the Admin Committee to move forward with a contract based on the proposal submitted. President-Elect Joan Michaels Aguilar notes that she and Executive Director Melissa Dixon were so confident that the proposed motion would be passed that they already included the proposed amount in the 2019 budget.

Director Richard Lee moved to approve that the Admin Committee move forward with a contract as requested. Director Jennifer Wakeman seconded. The motion passed unanimously.

### **Transition of Coaching/Webinar Services Program**

The ad hoc committee is comprised of Mary Bradley, Scott Catlett, Terri Willoughby and Laura Nomura. The ad hoc committee looked at all the components and key responsibilities of running the webinar program successfully. They've asked Don Maruska to draft a comprehensive outline of responsibilities, what it entails, potential costs, etc. This will aid in the next step of recruiting a replacement for Maruska when he retires at the end of 2019.

President Margaret Moggia would like to have more information by the January 8 meeting. Laura Nomura will try to bring something to that meeting but we may have to defer a vote to February due to timing.

President-Elect Joan Michaels Aguilar clarifies that the \$4,000 requested from Don for these transitions services is already in the budget so there is no action needed on that recommendation.

Director Richard Lee moved to approve the addendum to Don Maruska's contract to provide assistance with succession planning and to direct the Career Development Committee to provide an anticipated scope of services and additional fee quote, if necessary, in January 2019. Director Carrie Corder seconded. Motion passed unanimously.

### **Addendum to Contract with Susan Mayer for Instructor Services**

Laura Nomura reported that Susan Mayer, Intermediate course instructor, is unable to continue as a full-time instructor due to personal issues. Mayer offered that she would be amenable to a short-term contract for three courses to be held in early 2019. As Mayer owns the course materials, the Career Development Committee would like to offer \$4,000 for the materials, rather than having to create new ones. President Margaret Moggia clarifies that the current contract with Mayer expires in December 2018. This proposal would extend the current contract for six months. The amount budgeted for 2019 includes a full year of instruction for Mayer; this will cover the materials cost but would not cover the fees of an additional instructor for the second half of the year. The 2019 budget will be adjusted (if needed) when we find an instructor to finish out the year.

Director Carrie Corder moved to approve the proposal. Director Richard Lee seconded. The motion passed unanimously.

Nomura added that the Career Development Committee is very busy, so if anyone is interested in assisting, please reach out to her.

### **Purchase of Audience Polling Software**

Kate Zawadzki presented the background of Michael Coleman's request for CSMFO to reimburse for the polling software he currently uses in his sessions and the committee's determination that CSMFO would prefer to purchase it for the association, rather than reimburse Coleman though this would be a greater expense than the reimbursement.

The committee's recommendation is for Poll Everywhere because it can be responded to via either text or logging into a browser. Zawadzki reviewed the reasoning behind the recommendation. President-Elect Joan Michaels Aguilar noted that this would require an amendment to the 2019 budget that will be presented today.

Director Richard Lee moved to approve the purchase of Poll Everywhere software, as recommended by the committee. Director Jennifer Wakeman seconded. The motion passed unanimously.

### **2019 Operating Budget**

President-Elect Joan Michaels Aguilar reviewed the draft budget as presented, noting that the budget currently reflects a net loss.

President Margaret Moggia expressed her appreciation for all of the efforts made by Joan and Melissa to incorporate today's requests into the budget and noted that though we will vote on it today, modifications can be made if things come up at a later date.

Director Richard Lee moved to approve the 2019 operating budget as presented. Director Steve Heide seconded. The motion passed unanimously.

### **Committee Reports**

#### **Administration**

Kate Zawadzki reported that the focus group invites have been distributed and spots are filling up. If you have questions that you'd like addressed in the focus groups, please let Kate know.

#### **Career Development**

Laura Nomura reported that thanks to Will Fuentes and Scott Catlett, there is a new Quick Hit posted.

#### **Communications**

Ernie Reyna reported that a mockup of the new e-magazine has been received and will be distributed to the board shortly. James Russell-Field, City of Thousand Oaks and Karla Campos, City of La Quinta will be Vice Chairs in 2019. The committee would like to encourage younger staffers and women to join the committee. Please email Committee Chair Marcus Pimentel if you know someone who may be interested.

Ernie Reyna will distribute the editorial calendar as well as the mockup for the Board's review.

#### Membership

Grace Castaneda reported that the committee is gearing up for the conference. The Membership booth is fully staffed, thanks to all those who volunteered. The committee has new brochures, new swag, an Ask the Experts session and a benefits session planned.

#### Professional Standards

No report

#### Program

President Margaret Moggia reported that moderator slots are being filled, presentations are coming in for guidebook and the committee is looking forward to a great conference.

#### Recognition

Sara Roush reported that the committee is in the budget review process, 75% have been reviewed so far. Certificates will be sent in two waves: The first wave will go out next week so they are received prior to the holidays; the second wave will go out in January, just prior to the conference.

#### Technology

This is Damien Charlety's last meeting as Chair. Damien expressed thanks to the Board and committee members. 2019 committee chair Matt Pressey thanked Damian for all of his work during his service as Chair. The committee reported having enjoyed assisting the Admin Committee with the Poll Everywhere platform research and working with Justin Lewis on the Knowledge Base. The committee will provide an update at the January meeting.

#### **Chapter Roundtable**

##### San Diego

Michelle Collett reported that the December event was really well received. Speaker Devin Hughes was great and would be a great Keynote Speaker at a future conference.

##### East Bay

Craig Boyer reported that they had their holiday meeting last week featuring David McPherson regarding Cannabis. Student outreach is producing results.

#### Inland Empire

Steve Heide reported that the Board was well represented at the recent Chapter meeting at the Mission Inn in Riverside. Upcoming speakers include an economic update by Chris Thornberg, and Leadership Training by Neil Kupchin.

#### Northeast Counties

Richard Lee reported that they had their first meeting in November on the first day of the Camp Fire. The Chapter Vice Chair will be Greta Hogan from Yreka.

#### Coachella Valley

Karla Campos had no chapter report but said she's looking forward to seeing everyone in Palm Springs and that today's San Diego meeting was great.

### **Board Member Ad Hoc Reports**

#### Student Engagement

Jennifer Wakeman reported that the committee has now presented at nine locations, including chapter meetings and they have had additional requests for other universities and agencies to present. The committee will be conducting an end-of-year survey to student members.

Many other organizations are also looking at student engagement right now. Student networks are creating great visibility and connections. The report included in the Board packet shows what a successful program would look like.

Carrie Corder supports the program and feels that further progress requires the dedicated effort of a committee. President-Elect Joan Michaels Aguilar discussed the difficulty of getting already-busy people to commit. If there was a new committee, she feels it would likely just be the ad hoc committee people continuing on. Michaels Aguilar does not support the creating of a standing committee at this time. Damien Charley suggests creating a sub-committee, rather than its own standing committee. This could bridge the gap between the ad hoc nature and difficulties in staffing a full committee. The future of CSMFO relies on young people. Discussion will continue within the ad hoc group and at future Board meetings.

#### Chapter Engagement

Steve Heide envisioned transitioning into a Chair Liaison/Past President role on the bi-monthly Chapter Chairs call.

#### Advocacy

Carrie Corder reported that the committee is putting the finishing touches on the guiding principles and will report to the Board in January.

#### Committee Roles

Karan Reid reported that the committee will continue to review the roles of the committees and will bring a report to the January meeting.

#### CSMFO Leadership Academy

Scott Catlett reported that he will have an item on the agenda for January.

#### CSMFO App

Richard Lee reported that they have re-released the RFP and responses were due in November. Eleven responses were received. Executive Director Melissa Dixon and Director of Technology Justin Lewis will narrow them down to the top 3 or 4 and bring their recommendations to the Board in early 2019.

#### **Officer Reports**

President Margaret Moggia is overwhelmed with the amount of progress made this year and expressed heartfelt thanks to all. Margaret reported attending and enjoying the Alaska GFOA conference and that the incoming GFOA president is looking forward to coming to Palm Springs in January.

Past President Drew Corbett is working on getting the 2019 Oregon, Alaska and Washington association webinar program going. Some costs will be recovered, and Margaret Moggia will take the reins moving forward. This is the end of Drew's three-year officer term and he will miss CSMFO as he moves out of Municipal Finance.

President-Elect Joan Michaels Aguilar reported that conference registration closed at 1335 online registrants. 793 of those are government agencies, which is the highest number since Janet Salvetti started tracking. There are also 381 exhibitor sponsor attendees. Please note that the 2019 committee roster is included in the packet.

Steve Heide congratulated Richard Lee who has moved into Drew Corbett's role at the City of San Mateo.

Meeting adjourned at 4:03 p.m.

Respectfully submitted,

Sarah Erck



# California Society of Municipal Finance Officers

## Statement of Net Assets

As of November 30, 2018

	Nov 30, 18	Nov 30, 17	\$ Change	% Change
<b>ASSETS</b>				
<b>Current Assets</b>				
<b>Checking/Savings</b>				
1005 · Bank of America				
1050 · Chapter Fund Balances				
1050.10 · Central Coast	1,813.09	10.00	1,803.09	18,030.9%
1050.13 · Central Los Angeles	1,450.08	1,146.01	304.07	26.53%
1050.06 · Central Valley	561.05	191.14	369.91	193.53%
1050.11 · Channel Counties	4,112.00	5,196.64	(1,084.64)	(20.87%)
1050.18 · Coachella Valley	(2,297.87)	1,045.77	(3,343.64)	(319.73%)
1050.15 · Desert Mountain	(255.00)	110.00	(365.00)	(331.82%)
1050.05 · East Bay (SF)	4,727.15	919.41	3,807.74	414.15%
1050.17 · Inland Empire	18,603.03	9,323.23	9,279.80	99.53%
1050.08 · Monterey Bay	7,958.41	4,073.87	3,884.54	95.35%
1050.03 · North Coast	(899.35)	270.00	(1,169.35)	(433.09%)
1050.02 · Northeast Counties	22.37	0.00	22.37	100.0%
1050.16 · Orange County	14,160.08	7,064.98	7,095.10	100.43%
1050.07 · Peninsula	1,002.38	1,887.87	(885.49)	(46.9%)
1050.04 · Sacramento Valley	2,976.47	1,585.76	1,390.71	87.7%
1050.19 · San Diego County	6,027.96	2,403.88	3,624.08	150.76%
1050.12 · San Gabriel Valley	820.33	(434.08)	1,254.41	288.98%
1050.14 · South Bay (LA)	1,272.89	4,076.29	(2,803.40)	(68.77%)
1050.09 · South San Joaquin	(563.95)	(23.76)	(540.19)	(2,273.53%)
<b>Total 1050 · Chapter Fund Balances</b>	<b>61,491.12</b>	<b>38,847.01</b>	<b>22,644.11</b>	<b>58.29%</b>
1005 · Bank of America - Other	581,844.81	337,357.16	244,487.65	72.47%
<b>Total 1005 · Bank of America</b>	<b>643,335.93</b>	<b>376,204.17</b>	<b>267,131.76</b>	<b>71.01%</b>
1040 · Investments LAIF	836,071.28	820,878.19	15,193.09	1.85%
<b>Total Checking/Savings</b>	<b>1,479,407.21</b>	<b>1,197,082.36</b>	<b>282,324.85</b>	<b>23.58%</b>
<b>Accounts Receivable</b>				
1100 · Accounts receivable	1,012.43	5,447.69	(4,435.26)	(81.42%)
<b>Total Accounts Receivable</b>	<b>1,012.43</b>	<b>5,447.69</b>	<b>(4,435.26)</b>	<b>(81.42%)</b>

# California Society of Municipal Finance Officers

## Statement of Net Assets

As of November 30, 2018

	Nov 30, 18	Nov 30, 17	\$ Change	% Change
<b>Other Current Assets</b>				
1120 · A/R - CSMFO Database	30,526.00	15,390.00	15,136.00	98.35%
1250 · Prepaid Expense - General				
1252 · Prepaid Admin Fees	97,652.54	0.00	97,652.54	100.0%
1250 · Prepaid Expense - General - Other	2,091.95	0.00	2,091.95	100.0%
<b>Total 1250 · Prepaid Expense - General</b>	<b>99,744.49</b>	<b>0.00</b>	<b>99,744.49</b>	<b>100.0%</b>
1260 · Prepaid Expense Conference				
1261 · Guest Speakers	22,875.00	22,500.00	375.00	1.67%
1262 · Facilities Deposits	169,179.98	22,903.50	146,276.48	638.66%
1263 · President's Dinner	6,026.92	137.96	5,888.96	4,268.6%
1264 · Conference Services	57,487.17	6,658.54	50,828.63	763.36%
1260 · Prepaid Expense Conference - Other	5,834.04	4,500.00	1,334.04	29.65%
<b>Total 1260 · Prepaid Expense Conference</b>	<b>261,403.11</b>	<b>56,700.00</b>	<b>204,703.11</b>	<b>361.03%</b>
<b>Total Other Current Assets</b>	<b>391,673.60</b>	<b>72,090.00</b>	<b>319,583.60</b>	<b>443.31%</b>
<b>Total Current Assets</b>	<b>1,872,093.24</b>	<b>1,274,620.05</b>	<b>597,473.19</b>	<b>46.88%</b>
<b>Other Assets</b>				
1500 · CSMFO/SMA Database AR	48,981.00	149,796.00	(100,815.00)	(67.3%)
<b>Total Other Assets</b>	<b>48,981.00</b>	<b>149,796.00</b>	<b>(100,815.00)</b>	<b>(67.3%)</b>
<b>TOTAL ASSETS</b>	<b>1,921,074.24</b>	<b>1,424,416.05</b>	<b>496,658.19</b>	<b>34.87%</b>
<b>LIABILITIES &amp; EQUITY</b>				
<b>Liabilities</b>				
<b>Current Liabilities</b>				
<b>Accounts Payable</b>				
2000 · Accounts payable	(7,708.39)	10,609.82	(18,318.21)	(172.65%)
<b>Total Accounts Payable</b>	<b>(7,708.39)</b>	<b>10,609.82</b>	<b>(18,318.21)</b>	<b>(172.65%)</b>
<b>Other Current Liabilities</b>				
2001 · Taxes Due	(984.00)	0.00	(984.00)	(100.0%)
2003 · A/P Other- SMA Conference	3,695.73	3,570.75	124.98	3.5%
2010 · Deferred Revenue - Conference				
2011 · Conference Exhibitor/Sponsor	471,725.00	0.00	471,725.00	100.0%
2014 · Conference Gov Full Normal	287,185.00	0.00	287,185.00	100.0%
2016 · Conference Gov Daily Normal	5,375.00	0.00	5,375.00	100.0%
2018 · Conference Com Full Reg Normal	44,045.00	0.00	44,045.00	100.0%
2019 · Conference Banquet	575.00	0.00	575.00	100.0%
2020 · Conference PreConf-SessionA	5,100.00	0.00	5,100.00	100.0%
2021 · Conference PreConf-SessionB	6,450.00	0.00	6,450.00	100.0%
2023 · Deferring Event Registrations	5,370.00	0.00	5,370.00	100.0%
2024 · Conference Pre-Conf Session C	5,700.00	0.00	5,700.00	100.0%
2010 · Deferred Revenue - Conference - Other	0.00	308,910.00	(308,910.00)	(100.0%)
<b>Total 2010 · Deferred Revenue - Conference</b>	<b>831,525.00</b>	<b>308,910.00</b>	<b>522,615.00</b>	<b>169.18%</b>
2025 · Deferred Revenue - Magazine Ads	2,022.50	0.00	2,022.50	100.0%
2030 · Deferred Revenue - Municipal	59,615.00	67,870.00	(8,255.00)	(12.16%)
2040 · Deferred Revenue - Commercial	15,400.00	16,500.00	(1,100.00)	(6.67%)
2050 · Deferred Revenue - Other Gov	300.00	500.00	(200.00)	(40.0%)
2060 · Deferred Revenue - Retired	140.00	500.00	(360.00)	(72.0%)
2070 · Deferred Revenue - Student	60.00	40.00	20.00	50.0%
<b>Total Other Current Liabilities</b>	<b>911,774.23</b>	<b>397,890.75</b>	<b>513,883.48</b>	<b>129.15%</b>
<b>Total Current Liabilities</b>	<b>904,065.84</b>	<b>408,500.57</b>	<b>495,565.27</b>	<b>121.31%</b>
<b>Total Liabilities</b>	<b>904,065.84</b>	<b>408,500.57</b>	<b>495,565.27</b>	<b>121.31%</b>
<b>Equity</b>				
3020 · Retained earnings	865,754.42	779,157.79	86,596.63	11.11%
3100 · Net Assets-Chapters	37,223.01	38,847.01	(1,624.00)	(4.18%)
Net Income	114,030.97	197,910.68	(83,879.71)	(42.38%)
<b>Total Equity</b>	<b>1,017,008.40</b>	<b>1,015,915.48</b>	<b>1,092.92</b>	<b>0.11%</b>
<b>TOTAL LIABILITIES &amp; EQUITY</b>	<b>1,921,074.24</b>	<b>1,424,416.05</b>	<b>496,658.19</b>	<b>34.87%</b>

# California Society of Municipal Finance Officers

## Statement of Activities

	Nov 2018	Jan-Nov18	YTD Budget	\$ Over Budget	% of Budget	Annual Budget	Jan-Nov 18	Jan-Nov 17	\$ Change	% Change
<b>OPERATING REVENUES</b>										
4100 · Membership Dues	0	248,130	225,140	22,990	110.21%	225,140	248,130	232,605	15,525	6.67%
4200 · Interest Income	483	20,506	10,000	10,506	205.06%	10,000	20,506	7,549	12,957	171.63%
4302 · Website Magazine Ads		7,858	9,000	(1,143)	87.31%	10,000	7,858	11,480	(3,623)	-31.56%
4303 · Website Ads	10,850	125,015	142,920	(17,905)	87.47%	151,000	125,015	141,000	(15,985)	0.00%
4490 · Budget/CAFR Fees	51	16,751	19,400	(2,650)	86.34%	19,850	16,751	18,150	(1,400)	-7.71%
<b>TOTAL OPERATING REVENUES</b>	<b>11,383</b>	<b>418,259</b>	<b>406,460</b>	<b>11,799</b>	<b>102.9%</b>	<b>415,990</b>	<b>418,259</b>	<b>410,785</b>	<b>7,474</b>	<b>1.82%</b>
<b>OPERATING EXPENSES</b>										
6105 · Marketing/Membership	1,978	2,867	2,500	367	114.67%	5,000	2,867	1,871	995	0.00%
6106 · Storage Expense	65	627	950	(323)	66.03%	1,000	627	720	(93)	0.00%
6110 · President's Expense	1,445	3,543	8,500	(4,957)	41.68%	8,500	3,543	3,548	(5)	0.00%
6115 · Board of Directors	567	4,996	6,600	(1,604)	75.69%	7,100	4,996	2,888	2,108	0.00%
6120 · Committee/Chapter Support	928	7,604	13,550	6,676	56.12%	15,000	7,604	2,661	4,943	0.00%
6125 · Board Planning Session-Retre.	21,786	37,293	33,500	3,793	111.32%	38,500	37,293	15,288	22,005	0.00%
6140 · Management Services	12,976	217,710	215,643	2,067	100.96%	253,979	217,710	212,233	5,477	2.58%
6150 · Office Supplies		187	275	(88)	68.06%	300	187	155	32	0.00%
6155 · Merchant Fees/Bank Chgs.	7,363	42,709	27,500	15,209	155.31%	30,000	42,709	26,771	15,938	59.54%
6160 · Awards		4,572	5,000	4,728	91.45%	5,000	4,572	4,936	(364)	0.00%
6165 · Printing		12,165	12,833	(668)	94.79%	13,000	12,165	10,444	1,722	0.00%
6170 · Magazine		12,587	13,750	(1,163)	91.54%	15,000	12,587	11,642	946	0.00%
6175 · Postage		1,414	3,663	(2,249)	38.62%	4,000	1,414	3,518	(2,103)	0.00%
6185 · Telephone/Bridge Calls		1,090	1,925	(835)	56.62%	2,100	1,090	3,268	(2,178)	0.00%
6190 · Web and Technology		11,266	6,380	4,886	176.58%	7,000	11,266	12,475	(1,209)	-9.69%
6200 · Travel/Staff Expenses		3,434	2,750	684	124.88%	3,000	3,434	24	3,410	0.00%
6220 · Audit & Tax Filing	1,450	9,000	9,000	0	100.0%	9,000	9,000	8,910	90	0.00%
6230 · Insurance		1,219	1,500	(281)	81.27%	2,000	1,219	1,160	59	0.00%
6240 · Taxes	12,377	39,185	18,750	20,435	208.99%	25,000	39,185	26,623	12,562	0.00%
6250 · Miscellaneous		0	0	0	0.0%	0	0	0	0	0.00%
6255 · GFOA Reception		20,390	15,000	5,390	135.93%	15,000	20,390	15,439	4,951	0.00%
6260 · Donations		117	0	117	100.0%	0	117	0	117	0.00%
6999 · Previous Year Adjustments		0	0	0	0.0%	0	0	0	0	0.00%
<b>TOTAL OPERATING EXPENSES</b>	<b>60,936</b>	<b>433,976</b>	<b>399,569</b>	<b>34,407</b>	<b>108.61%</b>	<b>459,479</b>	<b>433,976</b>	<b>364,573</b>	<b>69,404</b>	<b>19.04%</b>
<b>NET OPERATING REVENUE</b>	<b>(49,552)</b>	<b>(15,718)</b>	<b>6,891</b>	<b>(22,608)</b>	<b>(228.09%)</b>	<b>(43,489)</b>	<b>(15,718)</b>	<b>46,212</b>	<b>(61,929)</b>	<b>-134.01%</b>

# California Society of Municipal Finance Officers

## Statement of Activities

	Nov 2018	Jan-Nov18	YTD Budget	\$ Over Budget	% of Budget	Annual Budget	Jan-Nov 18	Jan-Nov 17	\$ Change	% Change
<b>PROGRAM REVENUES</b>										
4503 · Contributions and Donations		0	2,000	(2,000)	0.0%	2,000	0	1,905	(1,905)	0.00%
4505 · Webinar	650	4,525	2,500	2,025	181.0%	3,000	4,525	3,250	1,275	39.23%
4520 · Weekend Training	3,410	18,725	18,333	392	102.14%	20,000	18,725	20,160	(1,435)	0.00%
4570 · Intro to Government	75	14,100	13,125	975	107.43%	13,125	14,100	11,625	2,475	0.00%
4580 · Presentation/Fiscal Policy	150	3,300	2,800	500	117.86%	3,300	3,300	2,100	1,200	0.00%
4585 · Communication Skills		0	0	0	0.0%	0	0	0	0	0.00%
4590 · Intermediate Government Acct		20,250	39,750	(19,500)	50.94%	39,900	20,250	44,400	(24,150)	-54.39%
4594 · CMTA/CSMFO Course	375	1,725	3,000	(1,275)	57.5%	3,000	1,725	2,400	(675)	-28.13%
4595 · Revenue Fundamentals I		6,295	6,000	295	104.92%	6,000	6,295	5,600	695	0.00%
4596 · Revenue Fundamentals II	(375)	0	6,000	(6,000)	0.0%	6,000	0	0	0	0.00%
4597 · Developing Supervisory Skills	(200)	5,400	8,500	(3,100)	63.53%	10,000	5,400	8,400	(3,000)	0.00%
4598 · Leadership Skills		0	10,000	(10,000)	0.0%	10,000	0	0	0	0.00%
<b>TOTAL PROGRAM REVENUES</b>	<b>4,085</b>	<b>74,320</b>	<b>112,008</b>	<b>(37,688)</b>	<b>785.31%</b>	<b>116,325</b>	<b>74,320</b>	<b>99,840</b>	<b>(25,520)</b>	<b>-25.56%</b>
<b>Expense</b>										
<b>PROGRAM EXPENSES</b>										
6494 · Webinar Expenses		0	0	0	0.0%	0	0	0	0	0.00%
6420 · Weekend Trainings	1,510	1,510	20,000	(18,490)	7.55%	25,000	1,510	10,930	(9,420)	0.00%
6430 · Intro to Government		12,641	13,640	(999)	92.67%	14,875	12,641	13,819	(1,178)	0.00%
6450 · Presentation/Fiscal Policy	2,204	6,522	4,429	2,093	147.27%	4,630	6,522	4,426	2,096	0.00%
6480 · Intermediate Governmental Acct.		22,070	33,526	(11,457)	65.83%	33,970	22,070	37,953	(15,883)	0.00%
6594 · CMTA/CSMFO Course Exp	440	883	1,900	(1,017)	46.45%	1,900	883	2,805	(1,923)	0.00%
6595 · Revenue Fundamental I		819	5,500	(4,681)	14.89%	6,000	819	1,265	(446)	0.00%
6596 · Revenue Fundamental II		0	5,500	(5,500)	0.0%	6,000	0	0	0	0.00%
6597 · Developing Supervisory Skills		10,722	11,330	(608)	94.63%	12,350	10,722	11,125	(404)	0.00%
6598 · Leadership Skills		0	11,330	(11,330)	0.0%	12,350	0	0	0	0.00%
<b>TOTAL PROGRAM EXPENSES</b>	<b>4,153</b>	<b>55,165</b>	<b>107,155</b>	<b>(51,990)</b>	<b>4.69</b>	<b>167,075</b>	<b>55,165</b>	<b>82,323</b>	<b>(27,158)</b>	<b>0.00</b>
<b>NET PROGRAM REVENUE</b>	<b>(68)</b>	<b>19,155</b>	<b>4,854</b>	<b>14,301</b>	<b>394.66%</b>	<b>(50,750)</b>	<b>19,155</b>	<b>17,518</b>	<b>1,637</b>	<b>9.35%</b>

# California Society of Municipal Finance Officers

## Statement of Activities

	Nov 2018	Jan-Nov18	YTD Budget	\$ Over Budget	% of Budget	Annual Budget	Jan-Nov 18	Jan-Nov 17	\$ Change	% Change
<b>OTHER Revenue</b>										
4999 · Unknown/Unallocated	0	0	0	0	0.0%	0	0	0	0	0.00%
<b>TOTAL OTHER Revenue</b>	0	0	0	0	0.0%	(50,750)	0	0	0	0.00%
<b>OTHER EXPENSES</b>										
6970 · One-Time Budgeted Expenses	0	0	30,000	(30,000)	0.0%	30,000	0	0	0	0.00%
6990 · Database Development	0	0	0	0	0.0%	0	0	0	0	0.00%
99950 · Ask Accountant	0	0					0			
9950 · Prior Period Adjustment	0	6,670	0	6,670	100.0%	0	6,670	1,296	5,374	0.00%
<b>TOTAL OTHER EXPENSES</b>	0	6,670	30,000	(23,330)	22.23%	30,000	6,670	1,296	0	0.00%
<b>CHAPTER REVENUE</b>	14,613	107,183	100,000	7,183	107.18%	100,000	107,183	101,316	5,867	5.79%
<b>CHAPTER EXPENSES</b>	3,708	82,914	100,000	(17,086)	82.91%	100,000	82,914	86,319	(3,404)	-3.94%
<b>NET CHAPTER REVENUE</b>	10,905	24,269	0	24,269	0.0%	0	24,269	14,997	9,271	61.82%
<b>TOTAL CONFERENCE REVENUE</b>	(710)	910,895	786,160	124,735	115.87%	786,160	910,895	828,100	82,795	10.00%
<b>TOTAL CONFERENCE EXPENSES</b>	0	817,900	830,081	(12,181)	98.53%	830,081	817,900	707,620	110,280	0.00%
<b>NET CONFERENCE REVENUE</b>	(710)	92,995	(43,921)	136,916	140.96%	(43,921)	92,995	120,480	(27,485)	-22.81%
<b>TOTAL NET REVENUE</b>	(39,425)	114,031	(62,177)	176,208	(183.4%)	(118,160)	114,031	197,911	(83,880)	-42.38%

## CORE STRATEGIES, GOALS & PRIORITY ACTIONS

Core Strategy: **Strategic Growth**

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

Priority Actions:

Core Strategy: <b>Strategic Growth</b>				
Goal: <b>CSMFO will leverage and invest resources to ensure the organization supports its volunteer efforts to forward the mission, vision and values.</b>				
Goal/Objective	Action Plan & Deliverable	Responsible Parties	Target Dates	Progress
1. New Technology	1. Workflow management a. Complete testing of tools b. Create matrix of pros/cons c. Draft recommendation for larger-scale adoption d. Present to board	Technology Committee	TBD	
2. 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. Expand Chapter Tool Kit to include Chapter Meeting Effectiveness template	Chapter Engagement Working Group, led by Past President  Staff	2018 (#1-5)  2019	
3. Engage Past Presidents	1. Establish Past Presidents Advisory Committee (potential oversee DSA) with purpose and goals	Past President to chair	2019	
4. Update Bylaws	1. Review Bylaws 2. Consider retaining legal counsel for thorough review	Administration	August 2019	
5. Hire a professional production manager/editor for CSMFO Magazine	Define scope Execute Contract	Communications Committee (contract to Admin)	TBD	
6. Technology Committee Expansion	Increase number of members on the Technology Committee	Technology	Feb 2019	

## CORE STRATEGIES, GOALS & PRIORITY ACTIONS

Core Strategy: **Strategic Growth**

Goal: **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
<b>7. Database Training</b>	<b>Establish “how to” documents for the new database; share and post to members.</b>	<b>Staff</b>	<b>March 2019</b>	

## CORE STRATEGIES, GOALS & PRIORITY ACTIONS

Core Strategy: **Member Engagement**

Goal: **CSMFO will respond to our members' needs, increase active participation and promote strategic growth.**

Priority Actions:

Core Strategy: <b>Member Engagement</b> Goal: <b>CSMFO will respond to our members' needs, increase active participation and promote strategic growth.</b>				
Goal/Objective	Action Plan & Deliverable	Responsible Parties	Target Dates	Progress
1. Refine volunteer utilization plan and appreciate and recognize volunteers	1. Develop policy to formally recognize Chapter and Committee Chairs to create uniformity across CSMFO.	Membership Committee	1. 2018	We're doing this; do we need a formal policy?
2. 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	
3. Develop student engagement plan	1. Get booth at "career night"/"meet the firm" at college campuses, or attend university's finance society meetings 2. Recommend and implement engagement plan (e.g. offer free attendance to chapter meetings, hold chapter meetings at local universities to attract students) 3. Formulate formal program to visit colleges and universities (do presentations) 4. Set up on campus for CSMFO meetings (chapters, other?) 5. Contact MPA/Finance/Econ/MBA departments/programs and offer to attend/present	Membership Committee  Student Engagement Working Group	1. 2019 2. 2019	



## CORE STRATEGIES, GOALS & PRIORITY ACTIONS

Core Strategy: <b>Member Engagement</b> Goal: <b>CSMFO will respond to our members' needs, increase active participation and promote strategic growth.</b>				
Goal/Objective	Action Plan & Deliverable	Responsible Parties	Target Dates	Progress
<b>4. CSMFO should add value without advocating</b>	<b>1. Develop guidelines for the Board regarding advocacy:</b> -Define responsibilities -Develop policy statements -Engage our most experienced members	<b>Advocacy Working Group</b>	<b>2018</b>	<b>Guidelines completed. Next steps?</b>

## CORE STRATEGIES, GOALS & PRIORITY ACTIONS

Core Strategy: **Professional Development**

Goal: **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.**

Priority Actions:

Core Strategy: <b>Professional Development</b> Goal: <b>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.</b>				
Goal/Objective	Action Plan & Deliverable	Responsible Parties	Target Dates	Progress
1. Establish CSMFO Resource Room	1. Professional Standards members are creating inventories in six different topic areas. Members need time to research existing resources and develop a comprehensive inventory.	Professional Standards	TBD	<b>May 2018 Update</b> 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.
2. 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. <b>Introduce new courses throughout the State including courses particular to special districts / government enterprise funds</b>	Career Development Committee	1. 2019  2. 2019	Continual evaluation of new courses

## CORE STRATEGIES, GOALS & PRIORITY ACTIONS

<p>Core Strategy: <b>Professional Development</b>            Goal: <b>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.</b></p>				
Goal/Objective	Action Plan & Deliverable	Responsible Parties	Target Dates	Progress
	3. Offer training on delegation/mentoring skills			
3. Develop and copyright training materials as appropriate	<p>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.</p> <p>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.</p>	Career Development Committee	<p>1. December 2018</p> <p>2. December 2017</p>	<p>1. Committee to work on finding consultant(s) to develop course objectives and material development. CDC will ensure objectives align with corresponding core courses.</p> <p>Need funding in <b>2019</b></p> <p>2. Evaluation plan complete. CDC member to attend courses – TBD.</p> <p>CDC to develop a form for Committee members to use as starting in 2018 for in-person class evaluations</p>
5. Develop and copyright training materials as appropriate	<p>1. Issue RFQ for attorney Services</p> <p>2. Execute contract</p>	Administration Committee	<p>1. TBD</p> <p>2. TBD</p>	
6. Develop focused “quick hits” on technical topics accessed from any device	1. Develop questions and utilize CSMFO technology for interviews, decide on future quick hit topics	Professional Standards & Recognition Committee (with CDC assistance)	TBD	<p>Need to decide how to execute on quick hit videos</p> <p>Need funding in 2019</p> <p>1. Need to develop brand-consistent video quality (Technology Committee)</p>

## CORE STRATEGIES, GOALS & PRIORITY ACTIONS

Core Strategy: <b>Professional Development</b> Goal: <b>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.</b>				
Goal/Objective	Action Plan & Deliverable	Responsible Parties	Target Dates	Progress
(aka 'Ted Talks')	2. Develop material and utilize CSMFO technology for presentation	Accountability with CDC		
7. Strategize on developing 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. TBD  2. TBD  3. TBD  4. TBD	
8. Create and execute succession transition plan for Don Maruska	1. Identify/define scope of work 2. Conduct RFP 3. Develop transition timeline 4. Execute contract	CDC (contract to Admin)	1. March 2019 2. June 2019 3. Sept 2019 4. October 2019	

## CORE STRATEGIES, GOALS & PRIORITY ACTIONS

Core Strategy: <b>Professional Development</b> Goal: <b>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.</b>				
Goal/Objective	Action Plan & Deliverable	Responsible Parties	Target Dates	Progress
<b>10. Create and execute succession transition plan for Michael Coleman and consider a similar service for Special Districts (county already has CSAC?)</b>	<b>1. Identify/define scope of work</b> <b>2. Conduct RFP</b> <b>3. Develop transition timeline</b> <b>4. Execute contract</b>	<b>Admin Committee</b>	<b>1. March 2020</b> <b>2. June 2020</b> <b>3. Sept 2020</b> <b>4. October 2020</b>	
<b>5. Develop CSMFO Leadership Academy – should be renamed to the CSMFO Certification</b>	<b>1. Develop RFP to develop coursework for a certification program</b> <b>2. Board Approve and Contract Execution</b> <b>3. Program Development Plan</b>		<b>1.</b>  <b>2.</b>  <b>3.</b>	<b>Certification Program scope had been discussed at the May 2018 Board meeting and will now focus on course development.</b>

## **CSMFO BOARD REPORT**

**January 8, 2019**

Date: January 2, 2019

FROM: Marcus Pimentel, Communications Committee Chair

SUBJECT: Approve New Integrative, Online Magazine

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### **RECOMMENDATION**

That the Board approves the Communication Committee's recommendation to design an interactive, online magazine as a subpage of CSMFO funded from the savings of eliminating each year the printing and mailing of 5 of the 6 magazine editions. The "Conference Edition" would remain a hardcopy edition. This would be the Committee's primary 2019 work project and would be ready to go live May 1, 2019.

### **STRATEGIC PLAN**

This recommendation supports the following components of the 2018 Strategic Action Plan:  
GOAL Strategic Growth - New Technology

GOAL Strategic Growth - Branding/Outreach/Promote CSMFO

 Deliverable - Continue to publish the CSMFO Magazine

GOAL Professional Development - Leverage technology to deliver content

 Develop a strategy for alternative service delivery options

### **BACKGROUND**







The CSMFO Magazine is published every other month in both print and electronic versions. The digital version is built on and limited by the foundation to support a hard-copy structure, and relies on the ISSUU platform. Hard copies are printed and distributed to authors, communication chair, and members who have requested a hard copy. ISSUU publishes the online version. SMA has indicated that 125 to 150 magazines are still printed and mailed every month. The direct annual cost of printing is approximately \$ 14,000 (\$2,333 per edition) in addition to SMA staff time.

At the October 2, 2018 Board Meeting, the Board considered this recommendation, were supportive, and requested that it be brought back for a visual mockup of what the new format could be and how it would be promoted before providing final direction.


### **DISCUSSION**

The Communication Committee has envisioned the new interactive magazine to be similar to interactive editions like the New Yorker. We encourage Board Members to review that site to become familiar with the possibilities of our own magazine site.

Moving to the online format will allow CSMFO to:

-  Expand the magazine outreach to more easily reach members
-  Engage readers with new possible features such as:
  - New video content- like “Quick Hits” or member testimonials
  - Timely “advice columns”
  - Direct readers via hyperlinks to additional research or resources
  - Breaking news commentary or suggestions
-  Enhance sponsored articles and ads with interactive links to create a strong “value-add” proposition to vendors or job announcements
-  Add direct links to CSMFO webinar and training enrollment
-  Allow for articles to be published individually and timely, rather than waiting for the entire magazine (articles, promotions, ads, job announcements) to be finished
-  Tie in postings under CSMFO social media sites (Facebook, LinkedIn).

The promotion plan is as follows:

-  January and March magazine would highlight the coming format change
-  Communication committee would join other committee calls to promote the format change and discuss new marketing opportunities
-  Communication committee would email Board, Committees, and Chapter Chairs about upcoming changes and opportunities
-  Email to all members in April, with twice per week emails to members during each publication month (see May 2019 illustrative example below).

## May 2019 Example of email timeline to members during each Magazine’s publication month

NOTE: May is unusual with the overlap of the 1<sup>st</sup> of the month and Wednesday.

Typically the 1<sup>st</sup> of the month email would highlight the President’s & Editor’s letters and highlight coming month articles.

The first Wednesday email would then highlight specific featured and sponsored articles.

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
			<b>1</b> President & Editors letter; 1 <sup>st</sup> Sponsored; jobs available	<b>2</b>	<b>3</b> CSMFO Promotions & Retirements; Training	<b>4</b>
	<b>6</b>	<b>7</b>	<b>8</b> Pres Elect, featured article; 2nd Sponsor	<b>9</b>	<b>10</b> CSMFO Chapter & member highlights	<b>11</b>
	<b>13</b>	<b>14</b>	<b>15</b> featured article(s); Sponsor; jobs available	<b>16</b>	<b>17</b> CSMFO Board actions & Leadership highlights	<b>18</b>
	<b>20</b>	<b>21</b>	<b>22</b> featured article(s); Sponsor	<b>23</b>	<b>24</b> CSMFO League & Committees; Advice column	<b>25</b>
<b>26</b>	<b>27</b> Memorial Day	<b>28</b>	<b>29</b> Bonus 5 <sup>th</sup> week (tbd)	<b>30</b>	<b>31</b> Bonus 5 <sup>th</sup> Week (tbd)	

SMA and the Committee will be providing a visual presentation to supplement this report. Below are some possible print screens to prepare members for this presentation, with callouts for notable website features.

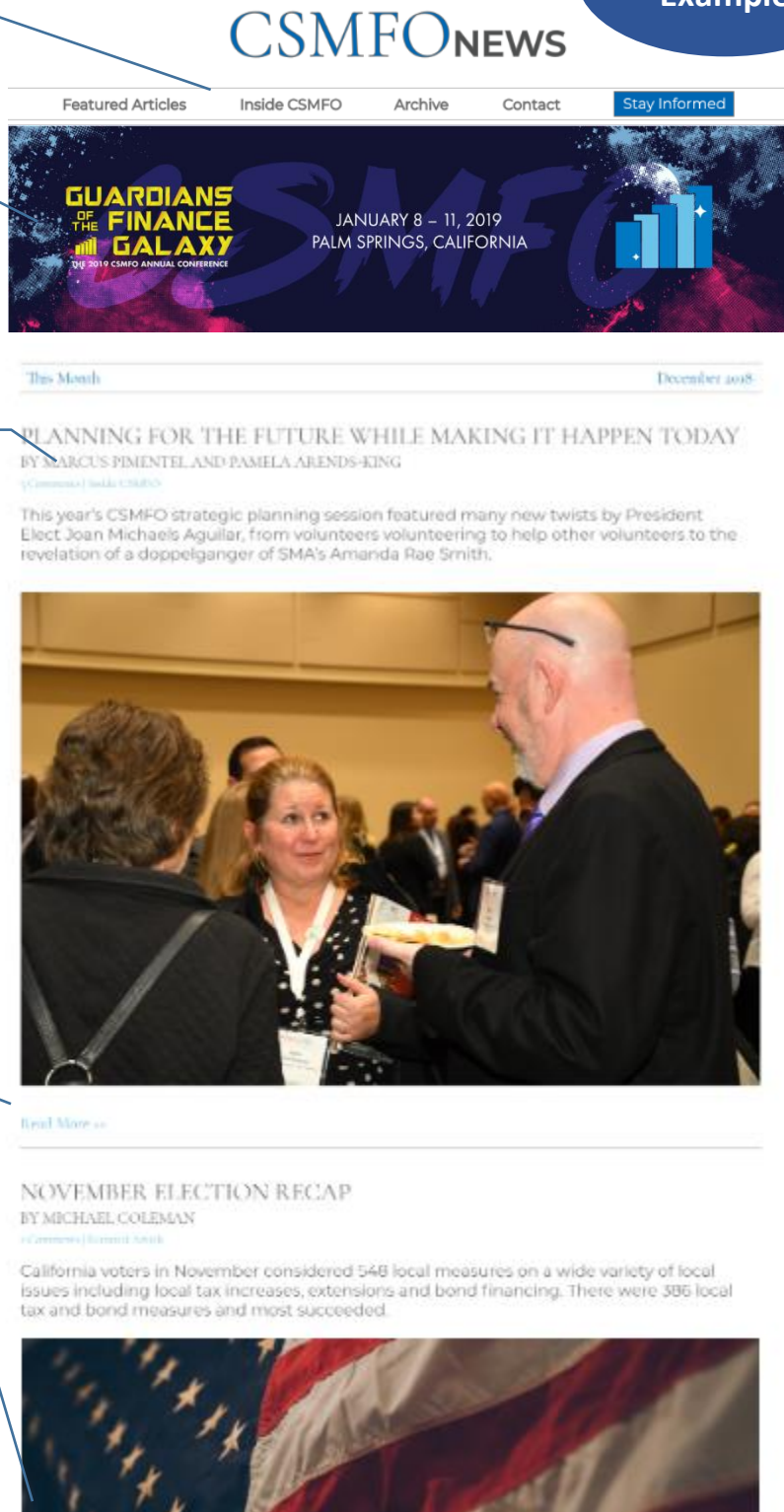
## Home Page Example

Menu Bar to access new articles, archived articles, and other promotional opportunities (ads, job wanted, etc.)

Banner Ads (Rotating)... CSMFO promotion and paid sponsors

Article "teaser"... headline, byline, opening paragraph & image. Readers would click to read more.

Other "current" articles would be tiled below.





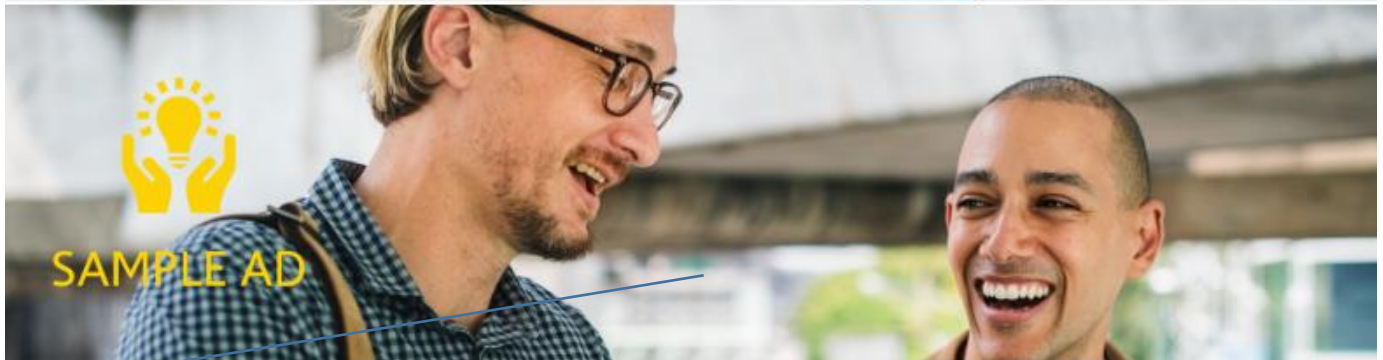
Menu Bar to access new articles, archived articles, and other promotional opportunities (ads, job wanted, etc.)

CSMFO NEWS

Article Example



Featured Articles Inside CSMFO Archive Contact Stay Informed



Banner Ads (Rotating)... CSMFO promotion and paid sponsors

Full Article Page

Inside CSMFO

December 1, 2018

## SEC'S NEW DISCLOSURE RULES - ARE YOU PREPARED?

BY LOU ANN HEATH  
*Columnist/Featured Article*



The federally mandated disclosure rules for issuers of municipal debt have grown steadily more complex through the years. Until recently, those rules have been primarily limited to bond offerings, but in early 2019, that will no longer be the case. Now is the time to prepare for the new regulatory landscape.

As a result of amendments to the Security and Exchange Commission's (SEC) Rule 15c2-12 ("the Rule"), beginning on Feb. 27, 2019, issuers will face new disclosure requirements related to material financial obligations outside of municipal bonds. The amendments bring bank loans, private placements and similar debt instruments and guarantees under the regulatory purview of the SEC and create two new events that issuers must report going forward:

Incurrence of a financial obligation of the issuer or obligated person, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a financial obligation of the issuer or obligated person, any of which affect security holders, if material ("Event 15"); and

Default, notice of redemption, transaction event, modification of terms, or other

Side bar ads... CSMFO promotion and paid sponsors





## CSMFO BOARD REPORT

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DATE: January 8, 2019

FROM: Melissa Dixon, Executive Director

SUBJECT: CalCPA-CSMFO Agreement Termination

### **Background:**

CSMFO entered into an agreement with CalCPA in February 2012. This agreement allowed CSMFO members to receive member pricing on CalCPA training. In return for CSMFO marketing the training to our members, CalCPA provided CSMFO with a small stipend for each CSMFO member registration. The MOU spells out that CSMFO should receive, quarterly, reports on how many attendees came through CSMFO, as well as a check for the appropriate amount. Since the inception of this collaboration, CalCPA has neglected to do its part. Staff has consistently struggled to receive reports; if a report is received, a check seldom follows. This program has been nearly seven years of staff persistently nagging and CalCPA consistently not adhering to the contract.

Earlier this year, staff discussed these difficulties in a frank discussion with CalCPA. We were told that CSMFO's agreement is different than the ones CalCPA has with other organizations, and if we were to conform our agreement more like their standard, these issues would be resolved. The CSMFO Board of Directors approved an amendment to the CalCPA agreement at the March 22 meeting. Since that time, however, the issues have not resolved. Staff continues to have to follow up repeatedly with CalCPA, and has yet to receive a report or check.

### **Recommendation:**

As this program is not functioning, it is our recommendation to terminate the agreement. The agreement requires thirty (30) days written notice to terminate; staff recommends a termination effective February 15, 2019.



## **CSMFO BOARD REPORT**

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DATE: January 8, 2019

FROM: Advocacy Ad-Hoc Committee

SUBJECT: Advocacy Guiding Principles and Responsibilities

### **Background:**

At the 2017 Strategic Planning meeting the subject of CSMFO's role in advocacy was discussed. The Advocacy Ad-Hoc Committee (Committee) was formed to explore this role and provide a recommendation to the Board of Directors.

The Committee was tasked with the goal to determine what principles, structures, and guidelines are necessary to allow CSMFO to respond quickly and appropriately on legislative and advocacy issues. The Committee was mindful that CSMFO members represent many types of agencies, which include cities, counties, school districts, and special districts. Because of this broad representation, it was noted that a "one-size fits all" approach would not be appropriate as some issues may benefit some members and potentially harm others.

### Development of Advocacy Guiding Principles

The Committee surveyed the listserv for sample guiding principles and reviewed numerous policies published on the League of California Cities website. Based on a review of these sample policies, the Committee drafted a set of guiding principles for the Board's review. These principles cover the following themes:

1. Support local equity & long-term sustainability of financial resources
2. Support transparent and effective financial reporting
3. Maintain local control and fiscal independence

### Leadership Roles & Responsibilities Handbook – League Appointees

In addition to developing a set of guiding principles, the Committee discussed the role of the seven (7) League Appointees. The Committee reviewed the League Appointees section of the *2018 Leadership Roles & Responsibilities Handbook*. The Committee has

recommended amendments to this section with the purpose to provide greater support to the Appointees and establish communication expectations from these volunteers. As part of providing additional support, the Committee recommends that the President assign a liaison to these appointees from the pool of Past Presidents.

#### President's Advocacy Task Force

Section XII of the *CSMFO Policy and Procedures Manual* allows for the creation of an Advocacy Task Force. This task force is created on an as-needed basis at the request of the Board President. The Committee has recommended amendments to the manual as attached.

#### **Recommendation:**

The Advocacy Ad-Hoc Committee is requesting that the Board of Directors:

#### Advocacy Guiding Principles

1. Approve the draft Advocacy Guiding Principles, as presented.
2. Provide feedback on the proposed Advocacy Guiding Principles and suggest further edits for consideration at a future Board of Directors meeting.

#### Leadership Roles & Responsibilities Handbook – League Appointees Section

1. Approve the amendments, as presented.
2. Provide feedback on the amended League Appointees section and suggest further edits for consideration at a future Board of Directors meeting.

#### Support for League Appointees

1. Consider a support role starting in 2019 by assigning a liaison from the pool of Past Presidents to each League Appointee for the purpose of greater support and enhanced communication.

#### Advocacy Task Force – Section XII of the CSMFO Policy and Procedures Manual

1. Approve the amendments, as presented.
2. Provide feedback on the amended Advocacy Task Force section and suggest further edits for consideration at a future Board of Directors meeting.

#### **Attachments:**

1. Draft Advocacy Guiding Principles
2. Amended section of the *CSMFO Roles & Responsibilities Handbook – League Appointees*
3. Amended section of the *CSMFO Policy and Procedures Manual – Advocacy Task Force*

# **CSMFO 2018 Leadership Roles & Responsibilities Handbook**

## **League of California Cities Policy Committee Appointees**

CSMFO is provided a representative on each of the League of California Cities policy committees. Appointments should be made by October 31 annually. **Each year the President will assign a liaison to these appointees from the pool of Past Presidents.** CSMFO representatives should:

- Conduct themselves at CSMFO functions and in their professional and personal lives in a manner becoming of the CSMFO leadership.
- Be outwardly supportive of decision made by the majority of the CSMFO Board of Directors, regardless of personal opinions
- Participate in the annual survey evaluating CSMFO consultants
- Attend Board of Directors meetings, following the 3 League Committee meetings, to keep the Board apprised of committee activities
  - **Prepare written reports for the Board meeting packet, that should include:**
    - **Policy Committee actions taken**
    - **Provide a summary of votes**
    - **Identify the vote taken on behalf of CSMFO**
    - **Legislation of interest**
    - **Identify elected officials most aligned with CSMFO positions**
    - **Provide insight on the probable path forward or likely outcome**
- Attend all policy committee meetings. Attendance at a minimum of 66% of the meetings is required, or the representative may be replaced
  - **Be available for extra League Committee meetings**
- **Attend Board of Director's meetings and the annual planning session in order to provide an annual update**
- **Follow written Guiding Principles when casting vote or taking a position on behalf of CSMFO, keeping in mind the diversity of CSMFO member organizations**
- **Actively communicate items of interest to membership via: magazine articles, email blasts to ListServ**
- **Upon receiving legislative/state budget update, select one or two of the League Appointees to disseminate the information to the Board and/or membership**
- **Submit a summary report of important items discussed at the League meetings to the CSMFO office for the Annual Report by January 15 of each year**

# **CALIFORNIA SOCIETY OF MUNICIPAL FINANCE OFFICERS**



## **Policy and Procedures Manual**

## **XII. ADVOCACY TASK FORCE**

### **A. Mission**

With their acknowledged expertise in administration and finance, the membership of the CSMFO can exert a positive **shaping** influence on the composition of legislation and the implementation of policy positions that will affect the fiscal integrity and viability of local governments in California.

The CSMFO Board and committees should be responsive to the opinion of its members **hip** and **should** be able to deliberate on specific issues in a timely manner with the goal of adopting a recommended position. The CSMFO's adopted position's will be on the record and will be publicized and **otherwise** utilized to exert maximum influence on both legislators and public opinion.

In circumstances where the legislative issue is complex, the President may convene a temporary Advocacy Task Force in order to facilitate the discussion and develop a position(s) for the Board's consideration. The President will select the members of the Advocacy Task Force and will be comprised of subject matter experts of which, may include municipal members, commercial members, and/or CSMFO consultants.

### **B. General Advocacy Policies**

CSMFO will develop **advocacy guiding principles**, positions on legislative issues, ballot measures and other issues that:

1. Involve professional standards and the public perception of local government financial management.
2. Have implications for or threaten the stability of local government finances.

### **C. Proposing Policies and Advocating Legislative Positions**

1. Positions for consideration may be presented to the Board through the President, by and individual Board Member, by recommendation of any committee or advisory body, **by a League Policy Committee Appointee**, by a specific Chapter, or by any individual CSMFO member. The President will confer with his or her executive team to determine the appropriate assignment of a specific matter for review.
2. Advocacy should be limited to legislative issues, ballot measures and administrative issues. There will be no advocacy for individual candidates.

Legislative positions must ~~necessarily~~ be in support of CSMFO Policy Statements.

3. Proposed policies or legislative advocacy positions should be submitted utilizing the following guidelines:
  - a. Recommendations ~~originating emanating~~ from the work of a committee, the ~~Advocacy Task Force~~ or other sub-body must be conveyed to the President no later than two business days before a scheduled Board meeting.
  - b. Any active CSMFO member can submit a position for consideration by the Board to the President not less than 14 days prior to a scheduled Board meeting.

#### D. The Deliberative Process

1. The President may assign a proposed issue or legislative advocacy position to the ~~Advocacy Task Force ad-hoc-committee-or-other-designated-body~~ for review and shall request feedback from the general membership when feasible. Various means can be used to obtain a canvass of member~~ship~~ views including electronic mail, the CSMFO website, ~~survey software~~, publications, and meetings.
2. The ~~Advocacy Task Force designated-body~~ shall report its recommendations to the Board within the timeframe requested by the President at the time of assignment, but in no case longer than three months from that time.
3. In considering a specific position or policy, the ~~Advocacy Task Force designated body~~ may request a presentation from the sponsor of the proposal. The ~~Advocacy Task Force~~ will approve an issue as submitted, with amendment, reject it, or they ~~may~~ table the proposal for later consideration. If approved, the proposal will be conveyed to the President for submission to the entire Board.

#### E. Approval and Dissemination

1. Upon receipt of the proposal from the President after consideration by the ~~Advocacy Task Force~~, the Board may approve it by a simple majority of those present and voting, including the proxies of those Board members who cannot ~~attend~~.
2. If there is an urgent need to adopt a particular policy, the Board may be polled using electronic means, including email, ~~facsimiles~~, ~~survey software~~, and



telephone calls. In this case, a majority of Board membership will be necessary to adopt a policy.

3. Approved policy positions shall be recorded ~~in a manual~~ and may be published in the CSMFO Magazine, on the CSMFO website and to the email group listserv at the discretion of the Executive Committee and/or Board of Directors.
4. Approved policy positions will also be disseminated as appropriate and necessary to elected officials at the local, state and federal levels and to media outlets.
5. Approved policy positions will be provided to the League of California Cities for consideration, inclusion and implementation.
6. Approved policy positions will be provided to CSMFO consultants, as appropriate.

F. Special Circumstances and Sunset Provisions

In the event that the Board has failed to approve a proposal within three months of the time that it was assigned to the ~~Advocacy Task Force committee by the President~~, the issue will no longer be available for consideration. Further consideration would require the matter to be newly introduced.



## CSMFO BOARD REPORT

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Date January 8, 2019

FROM: Scott Catlett, Board Member

SUBJECT: Award of Contract for Certification Program Support

### Background:

Based on the recommendations of the Certification Program Working Group, on May 24, 2018, the Board determined that the Certification Program (“Program”) would be of value to the CSMFO membership and directed the Working Group to issue an RFP to identify a consultant to further develop the curriculum and program format. The Board also authorized the use of undesignated reserve funds for this project. A copy of the May 24, 2018, Board Report is attached for the Board’s reference, which more fully describes the Program as envisioned by the Working Group.

At the same Board Meeting in May, the Board also provided direction for the development of a new core course on budgeting. As both projects needed attention from many of the same volunteers, the initial focus has been on the new core course on budgeting, for which the Board awarded a consulting contract in December to HdL. While working on that project, the Certification Program project was temporarily placed on hold.

During the RFP process for the core course on budgeting, potential consultants to which the RFP could be circulated were identified through the members of the Working Group and the Career Development Committee. Ultimately, six potential proposers were identified; however, only two proposals were received for that project – one from HdL and one from Bill Statler. In reviewing the proposals and speaking with the proposers, it became clear that both proposers had much to offer for the budgeting core course project. Additionally, it seemed apparent that the same proposers would likely be sent the RFP for the Certification Program. Based upon this realization, it was proposed to the Executive Committee that perhaps generating a second RFP would be unnecessary given the similar skillsets needed for both projects. With the concurrence of the Executive Committee and the Career Development Committee leadership, Board Member Catlett reached out to Bill Statler and began discussions regarding his possible

participation in the Certification Program project, since HdL was selected for the core course on budgeting project.

Ultimately, those discussions proved successful, and Mr. Statler has expressed a strong interest in this project. Further, he had a number of insights on ways that the Program could perhaps be modified that could enhance its potential for success. Based upon these discussions and further reflection on the sizable scope of the project that is before us, what is currently envisioned is a two-part consulting arrangement for this project. First, a phase of further exploration and program development would occur as further outlined below. Second, with future Board approval, a second phase for the actual development of the course materials would occur with assistance from Mr. Statler and other consultants, as needed.

Additionally, given the likely integration that the Program will ultimately have with the Career Development Committee's core course offerings and the common membership of a number of the working group members in the Career Development Committee, it is proposed that this project transition from the working group to the Career Development Committee on a go-forward basis.

Attached to this report is a proposal from Bill Statler for the phase one services, which are to be offered on a time and materials basis at the hourly rate of \$165.00 per hour. Because of the preliminary nature of the analysis done to date and the amount of information that has yet to be gathered and analyzed, in the view of both Mr. Statler and the Committee this project is best to proceed on a time and materials basis. A not to exceed amount of \$25,000 is proposed.

The phase one work to be undertaken by Mr. Statler includes the following key scope elements:

1. Conduct a more thorough review of the Texas, Florida, Oregon, New York, and Virginia certification programs with a focus on what is working, what may not be, and how CSMFO can capitalize on work already done by the other states. This will include reviewing all of the programs and then contacting one or more of the states that best fit our needs to understand how their program is working. We may also recommend the negotiation of a fee-based transfer of materials and/or program setup from another state if we determine their program to be a good starting point for our own.
2. Conduct an online survey of the membership to determine what they desire from this Program and how it can best benefit the largest cross section of members.
3. Further refinement of the proposed program format and outline as discussed in greater detail in the attached Board Report from May.
4. Interaction with the Career Development Committee and, as needed, the Board to get additional feedback on various options for the Program.

5. Delivery of a detailed program plan and content recommendations for the Program, which will incorporate lessons learned from the other state programs, the membership survey, and the interactions with the Career Development Committee and the Board.

**Next Steps**

With the approval of the Board of the recommendations outlined in this report, we hope to have a contract with Mr. Statler executed by February with the assistance of the Administration Committee. Mr. Statler would then begin his work, with the goal of bringing the results of the phase one work to the Board for review no later than December of 2019. Presuming that the efforts are successful, and the Board green lights further work on this project at that time, we would target the 2021 Annual Conference for the launch of the Program.

**Recommendations:**

It is recommended that the CSMFO Board of Directors:

1. Concur with the transfer of this project to the Career Development Committee;
2. Award a contract to Bill Statler for the phase one program support services for the Certification Program as outlined in this report and the attached proposal;
3. Authorize the appropriations of \$25,000 of undesignated reserves for this project;
4. Direct the Administration Committee to develop a contract for this work using the scope and hourly rate outlined in the attached proposal; and
5. Direct the Career Development Committee to return to the Board no later than December of 2019 with the results of the phase one work, and sooner if feedback from the Board is needed on the direction of the project.

**Attachments:**

1. Proposal from Bill Statler for Support Services
2. May 24, 2018, Board Report

# William C. Statler

Fiscal Policy ■ Financial Planning ■ Analysis ■ Training ■ Organizational Review

December 18, 2018



## Proposal to the CSMFO CERTIFICATION PROGRAM ASSESSMENT: PHASE 1

This proposal is in response to the interest of the California Society of Municipal Finance Officers (CSMFO) in further assessing the feasibility of implementing a Certification Program that recognizes attainment of key professional skills. The following outlines my understanding of the project, proposed work program, schedule, compensation and qualifications for performing this policy review.

### BACKGROUND

#### Understanding of the Project

Based on the recommendations of the Certification Program Working Group, on May 24, 2018, the Board determined that a Certification Program would be of value to the CSMFO membership and directed a Working Group to issue a request for proposals to identify a consultant to further develop the curriculum and program format. The May 24, 2018, Board Report is attached, which more fully describes the Program as envisioned by the Working Group.

A transcending question to ask as part of this follow-up “Phase 1” assessment is: why? Given that the GFOA already has a certification program, how will what could be viewed as a parallel program (and possibly, real or perceived, a redundant one) offer unique and helpful benefits to CSMFO members?

Based on follow-up discussions with Scott Catlett and Mary Bradley, three compelling reasons surfaced to consider a separate program:

- **Focus on California-Specific Issues.** California has distinct issues separate from those with a national orientation. As noted in the attached report, the goal of the Program is to focus on California-specific issues.
- **Accessibility.** Substantial on-line training is likely. Nonetheless, the delivery of the Program will make it more accessible than the GFOA program. Also, based on the CSMFO’s special program training to-date, it is likely to be more affordable as well.

## Certification Program Assessment: Phase 1 Proposal

- **Career Development.** Even with the most thorough of recruitment and vetting approaches, it is difficult for employers to fully evaluate the technical skills of their applicants. Doing so will become even more critical as more baby-boomers leave municipal government. The Program will help both applicants and employers in assessing technical skills that are especially attuned to unique circumstances and challenges in California.

Stated simply, ensuring that there is genuine member value in a CSMFO-sponsored Program – and clearly articulating that value – will be a key focus throughout this work.

### WORK PROGRAM

Following a “kick-off” briefing with the Career Development to review and finalize the work program, the Phase 1 assessment includes five key tasks:

❶ **Review of Other State Programs.** Perform a more thorough review of the Texas, Florida, Oregon, New York and Virginia certification programs with a focus on what is working, what may not be, and how the CSMFO can capitalize on work already done by the other states. This will include reviewing all of the programs and then contacting one or more of the states that best fit the CSMFO’s needs to understand how their program is working. This may also include recommending the negotiation of a fee-based transfer of materials and/or program setup from another state if their program is determined to be a good starting point for the CSMFO.

❷ **Online Membership Survey.** Conduct an online survey of the membership to determine what they desire from this Program and how it can best benefit the largest cross section of members.

❸ **Refinement of Program Format.** Further refine the proposed program format and outline as discussed in greater detail in the attached Board Report from May 2017.

❹ **Close Coordination with CSMFO Committee and Board.** Work closely with the Career Development Committee (and as needed, the Board) in receiving additional feedback on various options for the Program.

❺ **Program Recommendations.** Deliver a detailed program plan and content recommendations for the Program, which will incorporate lessons learned from the other state programs, the membership survey and the interactions with the Career Development Committee and the Board.

### COMPLETION DATE

The goal is to present the results of the Phase 1 assessment to Board for review by December 2019. Assuming the results support moving forward and the Board approves “Phase 2” program implementation at that time, the goal would be to launch the Program at the 2021 Annual Conference.

## Certification Program Assessment: Phase 1 Proposal

### **DELIVERABLES**

All written materials will be provided to the CSMFO in electronic form via email in Excel, Word, Adobe Acrobat or PowerPoint as appropriate. Any “hard-copy” reproduction will be at the CSMFO’s expense.

### **COMPENSATION**

#### **Time and Materials at \$165.00 Per Hour, Not to Exceed \$25,000**

Because of the preliminary nature of the assessment completed to-date and the amount of information that has yet to be gathered and analyzed, I propose that compensation be on a time and materials basis, not to exceed \$25,000 without Board authorization, at \$165.00 per hour. When applicable, travel time will be charged at 50% of this billing rate (\$82.50 per hour).

Services will be billed monthly based on progress-to-date. This will be accompanied by a narrative overview of the project status based on accomplishment of key tasks.

### **QUALIFICATIONS**

As set forth in the following Qualifications Summary, I have extensive experience in a broad range of financial management practices, which have received state and national recognition for excellence in financial planning and reporting.

My work ranges from San Luis Obispo (the city that Oprah Winfrey calls the “Happiest City in America”) to volunteer service helping the troubled City of Bell reform their government.

My senior management experience includes serving as the Director of Finance & Information Technology/City Treasurer for the City of San Luis Obispo for 22 years and as the Finance Officer for the City of Simi Valley for ten years before that. Since retiring from local government in 2010, the “third act” of my career includes over 50 consulting assignments for wide range of government agencies.

My experience also includes playing key leadership roles in the profession, which included serving as a member of the Board of Directors of the League of California Cities, President of the League’s Fiscal Officer Department and President of the California Society of Municipal Finance Officers (CSMFO); and setting accounting and financial reporting standards as a member of the California Committee on Municipal Accounting.

I have also published extensively on municipal finance best practices, including co-authoring the *Guide to Local Government Finance in California*, which has gained wide recognition as the industry standard on this topic; and provided highly-rated training for a number of professional organizations.

As detailed in the Qualifications Summary, my consulting work has included:

## Certification Program Assessment: Phase 1 Proposal

- Organizational analysis and policy advice, including reserve policies, organization reviews, benchmarking, financial condition assessments and operational reviews.
- Strategic planning and long-term financial plans.
- Interim finance director for the City of Monterey, San Diego County Water Authority and City of Capitola.
- Revenue option analyses; cost allocation plans; and water, sewer and solid waste rate studies.

In each case, I believe the contracting agencies were delighted with the high-quality results they received at a very reasonable cost. (References from the senior managers of these agencies are available upon request.)

**Program Development Experience.** As reflected in the Qualifications Summary, I have extensive experience in training program and curriculum development for the CSMFO as well as other professional organizations. Moreover, my close association with the CSMFO – as President, Board Member, Committee Chair and Chapter Chair in the past and continuing work as a trainer, including the annual conference, weekend training and “core curriculum for fiscal policies and long-term financial planning – will be valuable in assessing the Program in meeting member needs.

### SUMMARY

I am looking forward to this opportunity to serve the CSMFO. Please call or email me if you have any questions concerning this proposal.

Sincerely,



William C. Statler

*Fiscal Policy ■ Financial Planning ■ Analysis ■ Training ■ Organizational Review*

### ATTACHMENT

May 24, 2007 Board Report: Certification Program Concept





## **QUALIFICATIONS SUMMARY**

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### **SENIOR FINANCIAL MANAGEMENT EXPERIENCE**

Bill Statler has over 30 years of years of senior financial management experience, which included serving as the Director of Finance & Information Technology/City Treasurer for the City of San Luis Obispo for 22 years and as the Finance Officer for the City of Simi Valley for 10 years before that.

Under his leadership, the City of San Luis Obispo received national recognition for its financial planning and reporting systems, including:

- Award for Distinguished Budget Presentation from the Government Finance Officers Association of the United States and Canada (GFOA), with special recognition as an outstanding policy document, financial plan and communications device. ***San Luis Obispo is one of only a handful of cities in the nation to receive this special recognition.***
- Awards for excellence in budgeting from the California Society of Municipal Finance Officers (CSMFO) in all four of its award budget categories: innovation, public communications, operating budgeting and capital budgeting. ***Again, San Luis Obispo is among a handful of cities in the State to earn recognition in all four of these categories.***
- Awards for excellence in financial reporting from both the GFOA and CSMFO for the City's comprehensive annual financial reports.
- Recognition of the City's financial management policies as "best practices" by the National Advisory Council on State and Local Budgeting.

The financial strategies, policies and programs he developed and implemented resulted in strengthened community services and an aggressive program of infrastructure and facility improvements, while at the same time preserving the City's long-term fiscal health.

### **CONSULTING AND INTERIM ASSIGNMENTS**

#### **Long-Term Financial Plans**

- City of Grover Beach
- City of Salinas
- City of Camarillo
- City of Carpinteria
- City of Pismo Beach
- City of Twentynine Palms
- City of Bell
- Bear Valley Community Services District

## **Certification Program Assessment: Phase 1 Proposal**

### **Strategic Planning and Council Goal-Setting**

*In collaboration with the HSM Team*

- City of Monrovia
- City of Sanger
- City of Pismo Beach
- City of Bell
- City of Willits

### **Organizational Analysis and Policy Advice**

- Financial Management Advice During Finance Director Transition: City of Monterey
- Organizational Review (Plans/Public Works and Community Services): City of Monterey
- Finance Organizational Review: Ventura Regional Sanitation District
- Benchmark Analysis: City of Capitola
- Financial Management Improvements: City of Capitola
- Organizational Review: City of Willits (in collaboration with the HSM Team)
- Finance Division Organizational Review: Sacramento Metropolitan Fire District
- Finance Department Organizational Review: City of Ceres (in collaboration with national consulting firm)
- Pro Bono Financial Management Transition Team and Policy Advice: City of Bell
- Preparation for Possible Revenue Ballot Measure: City of Monterey
- Fund Accounting Review: State Bar of California
- Construction Project Contracting Review: Central Contra Costa Sanitary District
- Focused Financial Review: City of Watsonville
- Financial Assessment: City of Guadalupe
- Financial Condition Assessment: City of Grover Beach
- General Fund Reserve Policy: Town of Los Gatos
- General Fund Reserve Policy: City of Pacific Grove
- General Fund Reserve Policy: City of Lompoc
- General Fund Reserve Policy: City of Twentynine Plans
- General Fund Reserve Policy: City of Willits
- Reserve Policy: State Bar of California
- Budget and Fiscal Policies: City of Santa Fe Springs

### **Interim Finance Director**

- City of Monterey
- San Diego County Water Authority
- City of Capitola

## **Certification Program Assessment: Phase 1 Proposal**

### **Other Financial Management Services**

- Revenue Options Study: Santa Clara Valley Water District
- Revenue Options Study: City of Greenfield
- Revenue Options Study: City of Pismo Beach
- Cost Allocation Plan: City of Greenfield
- Cost Allocation Plan: City of Guadalupe
- Cost Allocation Plan: City of Port Hueneme
- Cost Allocation Plan: City of Grover Beach
- Cost Allocation Plan Review: State Bar of California
- Cost Allocation Plan Review: City of Ukiah
- Disciplinary Proceedings Cost Recovery Review: State Bar of California
- Water and Sewer Rate Reviews: Avila Beach Community Services District
- Water and Sewer Rate Reviews: City of Grover Beach
- Solid Waste Rate Review: County of San Luis Obispo, Los Osos and North County Areas
- Joint Solid Waste Rate Review: Cities of Arroyo Grande, Grover Beach, Pismo Beach and Oceano Community Services District

### **PROFESSIONAL LEADERSHIP**

- Member, Board of Directors, League of California Cities (League): 2008 to 2010
- Member, California Committee on Municipal Accounting: 2007 to 2010
- Member, GFOA Budget and Fiscal Policy Committee: 2005 to 2009
- President, League Fiscal Officers Department: 2002 and 2003
- President, CSMFO: 2001
- Member, Board of Directors, CSMFO: 1997 to 2001
- Chair, CSMFO Task Force on "GASB 34" Implementation
- Fiscal Officers Representative on League Policy Committees: Community Services, Administrative Services and Environmental Quality: 1992 to 1998
- Chair, Vice-Chair and Senior Advisor for CSMFO Committees: Technology, Debt, Career Development, Professional and Technical Standards and Annual Seminar Committees: 1995 to 2010
- Member, League Proposition 218 Implementation Guide Task Force
- Chair, CSMFO Central Coast Chapter: 1994 to 1996

### **TRAINER**

- League of California Cities
- Institute for Local Government
- California Debt and Investment Advisory Commission
- Government Finance Officers Association of the United States and Canada

## Certification Program Assessment: Phase 1 Proposal

- California Society of Municipal Finance Officers
- Municipal Management Assistants of Southern California and Northern California
- National Federation of Municipal Analysts
- Probation Business Manager's Association
- Humboldt County
- California Association of Local Agency Formation Commissions
- American Planning Association

Topics included:

- |  |  |
|--|--|
| • Long-Term Financial Planning   | • Debt Management  |
| • The Power of Fiscal Policies   | • Transparency in Financial Management: Meaningfully Community Involvement in the Budget Process |
| • Financial Analysis and Reporting   | • Financial Management for Non-Financial Managers  |
| • Fiscal Health Contingency Planning   | • Preparing for Successful Revenue Ballot Measures   |
| • Effective Project Management   | • Integrating Goal-Setting and the Budget Process  |
| • Providing Great Customer Service in Internal Service Organizations: The Strategic Edge | • Financial Management for Elected Officials   |
| • Strategies for Downsizing Finance Departments in Tough Fiscal Times                    | • 12-Step Program for Recovery from Fiscal Distress  |
| • Top-Ten Skills for Finance Officers  | • Strategies for Strengthening Organizational Effectiveness                                      |
| • Telling Your Fiscal Story: Tips on Making Effective Presentations                      | • Budgeting for Success Among Uncertainty: Preparing for the Next Downturn                       |
| • What Happened in the City of Bell and What We Can Learn from It                        |  |
| • Multi-Year Budgeting   |  |
| • Top Challenges Facing Local Government Finance Officers                                |  |
| • Fiscalization of Land Use  |  |

### PUBLICATIONS

- *Guide to Local Government Finance in California*, Solano Press, Second Edition, 2017 (Co-Author)
- *Setting Reserve Policies – and Living Within Them*, CSMFO Magazine, May 2017
- *Presenting the Budget to Your Constituents*, CSMFO Magazine, July 2016
- *Planning for Fiscal Recovery*, Government Finance Review, February 2014

## Certification Program Assessment: Phase 1 Proposal

- *Managing Debt Capacity: Taking a Policy-Based Approach to Protecting Long-Term Fiscal Health*, Government Finance Review, August 2011
- *Fees in a Post-Proposition 218 World*, League of California Cities, District Attorney's Department Spring Conference, May 2010
- *Municipal Fiscal Health Contingency Planning*, Western City Magazine, November 2009
- *Understanding the Basics of County and City Revenue*, Institute for Local Government, 2008 (Contributor)
- *Financial Management for Elected Officials*, Institute for Local Government, 2010 (Contributor)
- *Getting the Most Out of Your City's Current Revenues: Sound Fiscal Policies Ensure Higher Cost Recovery for Cities*, Western City Magazine, November 2003
- *Local Government Revenue Diversification, Fiscal Balance/Fiscal Share and Sustainability*, Institute for Local Government, November 2002 (Co-Author)
- *Why Is GASB 34 Such a Big Deal?*, Western City Magazine, November 2000
- *Understanding Sales Tax Issues*, Western Cities Magazine, June 1997
- *Proposition 218 Implementation Guide*, League of California Cities, 1997 (Contributor)

## HONORS AND AWARDS

- Cal-ICMA Ethical Hero Award (for service to the City of Bell)
- CSMFO Distinguished Service Award for Dedicated Service and Outstanding Contribution to the Municipal Finance Profession
- National Advisory Council on State and Local Government Budgeting: Recommended Best Practice (Fiscal Policies: User Fee Cost Recovery)
- GFOA Award for Distinguished Budget Presentation: Special Recognition as an Outstanding Policy Document, Financial Plan and Communications Device
- CSMFO Awards for Excellence in Operating Budget, Capital Improvement Plan, Budget Communication and Innovation in Budgeting
- GFOA Award of Achievement for Excellence in Financial Reporting
- CSMFO Certificate of Award for Outstanding Financial Reporting

## Certification Program Assessment: Phase 1 Proposal

- National Management Association Silver Knight Award for Excellence in Leadership and Management
  - American Institute of Planners Award for Innovation in Planning
  - Graduated with Honors, University of California, Santa Barbara
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Visit my web site for additional information at [www.bstatler.com](http://www.bstatler.com)





## CSMFO BOARD REPORT

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Date May 24, 2018

FROM: Scott Catlett, Board Member, on behalf of the Certification Program Working Group

SUBJECT: Request for Feedback and Direction on Certification Program Concept

### Background:

Several times in the last 10 years, concepts have been discussed for a CSMFO certification program, with ideas ranging from an internally-administered program to a partnership with a university. Various format ideas have also been discussed, ranging from an in-person multi-week program or a program of university courses to an entirely online or written self-study program. This year, the CSMFO President has tasked Board Members with various special projects in an effort to keep the Board members involved in moving CSMFO forward and addressing various elements of the strategic plan. The Certification Program issue was assigned to me for further study with the goal of offering recommendations to the Board as to how to move forward, presuming that the Board wishes to continue to pursue such a program after reviewing and discussing the information contained in this report.

In order to bring together ideas from a variety of members (including several with CPFO certification), I formed a working group comprised of the following individuals to assist in developing this proposal:

- Margaret Moggia, West Basin Municipal Water District and CSMFO President
- Mary Bradley, Retired Finance Director and Past CSMFO President
- Stephen Parker, City of Stanton
- David Persselin, City of Fremont
- Brent Mason, City of San Bernardino
- David Cain, Retired Finance Director
- Dennis Kauffman, City of Roseville

Over the last several months, this group has met a total of four times via conference call to discuss various concepts and refine the proposal that is before the Board today. We are seeking the Board's input on two principal questions:

1. Does the Board wish to move forward with a Certification Program? We feel that we've developed a sufficiently detailed proposal to answer this question.
2. If the answer to the first question is yes, what modifications, if any, would the Board like to see to the proposed program prior to moving forward with development of the curriculum and the infrastructure necessary to administer the program? The Board would be involved multiple times in the future as the concept is further refined, but preliminary thoughts on changes would be very helpful.

We have recognized that moving forward with this effort is a significant task, and there are many unanswered questions and concepts that are not yet fully developed. We felt it best to bring forward to the Board our thoughts to date, to determine if and how we should move forward. At the earliest, we would anticipate that the program will be ready for presentation to the membership at the 2020 Annual Conference.

### **Program Format**

Our working group began its discussions with determining what the program should and should not be. We agreed that CSMFO should not repeat what GFOA already does well with the CPFO program, while recognizing that California government finance is quite complex and there are significant gaps in what California finance officers need to know versus what is covered in the CPFO curriculum. We also looked to other states, and learned that Texas, Florida, and Oregon all have certification programs, while New York and Virginia have significant educational programs that are not structured as certification programs. You can read more about these programs here:

- Texas – <https://gfoat.org/certified-government-finance-officer-cgfo-committee/>
- Florida – [http://www.fgfoa.org/Training\\_Education/cgfo](http://www.fgfoa.org/Training_Education/cgfo)
- Oregon – <http://ogfoa.org/content.php?page=Certification>
- New York – <https://www.nysgfoa.org/training/gfi>
- Virginia – <https://www.vgfoa.org/page/certificate-program>

It is worth noting that both the Texas and Florida program are very successful, with more than 260 and 560 designation holders, respectively. This may give us some indication of how broadly accepted and valued a well-crafted CSMFO certification program could be. Attached to this report is a matrix outlining key elements of these two states' programs, as well as the one offered in Oregon. We have built upon what we've learned from these other programs as a starting point, while adding some unique elements that we feel would benefit our membership. Some general thoughts about program format are as follows:

- Coverage of non-California, general government topics should be included at a high level, but participants should be directed to the CPFO program and other



resources (such as GFOA and CSMFO core courses) should they wish to undertake further study in these areas.

- The program should primarily focus on what is unique to California (described in the following section).
- CPFO certification should not be a prerequisite. Some may find value in the CSMFO program while not seeing value in the CPFO program.
- We believe that there should be two levels of recognition:
  1. Certificate – completion of the curriculum, including in-person and online elements, would entitle a participant to receive a completion certificate.
  2. CGFO Designation – obtaining a certificate, successfully passing an examination (or examinations), and obtaining the required number of experience points (described below) would entitle a finance officer to use the CGFO (Certified Government Finance Officer) designation. Texas and Florida have selected CGFO, but the actual designation could be whatever the Board feels is appropriate.
- Certificate recipients and new designation holders would be recognized at the Annual Conference, in the CSMFO Magazine, and on the CSMFO website.
- Designation holders would be required to maintain certain levels of CPE in the future to remain able to use the designation. The attachment illustrates the CPE requirements in the other states' programs.
- Experience points would be calculated based on education, years working in the industry, participation as a CSMFO volunteer, and participation in the CSMFO One-On-One Coaching Program. This is designed to ensure that designation holders have experience and education in addition to having passed the exam. A certain number of points would be required to receive the designation.
- We believe that a mentoring component to the program has value but did not feel that it should be mandatory. Participants would be encouraged to participate in the One-On-One Coaching Program without this being a requirement of the program. Participants wishing to be paired with a coach would have one assigned and would receive extra experience points for participation. They would also be encouraged to become coaches upon graduation from the program.
- We recommend that the CSMFO staff administer the program in terms of registration, certificates, exams, etc., while the Career Development and Professional Standards Committees would jointly be responsible for the technical aspects of the curriculum maintenance in the future.
- The cost to participate in the program would be designed to generally recover the costs of administration and of any in-person instructors. We recommend that the cost of developing the materials be underwritten by available CSMFO reserves, consistent with other similar special initiatives of the Board recently undertaken.
- Program duration will depend on the final course content but allowing two years for completion (with the possibility of requesting an extension) seems reasonable

unless the Board feels that the program should include significant additional content in non-California-specific topic areas.

### **Course Content and Instruction Methods**

We believe that moving participants through the program in a group has merit. We therefore propose that program participants begin the program in a single “class” each year, which would commence at the Annual Conference and end at the Annual Conference two years following. There would be mandatory in-person sessions (likely on Tuesday) at the conference at the beginning and end of the program to discuss the program, cover certain topics, allow participants to network, debrief on lessons learned, etc. Beyond these two in-person sessions, we have not determined whether additional in-person sessions are needed. We are mindful of the need not to discourage busy professionals with a burdensome number of in-person sessions that may require travel. We therefore anticipate that additional course instruction would be through written self-study materials, supplemented with video elements utilizing technology similar to the Career Development Committee’s new Quick Hits program.

The Working Group has developed the following high-level outline for the program after reviewing the other states’ programs and the CSMFO skills matrix, as well as after identifying some additional topics that we felt should be included.

- Key Concepts in Government Finance (high-level with references to learn more)
  - we would include limited questions on these topics on the exam
  - 1. Accounting and Financial Reporting
  - 2. Budgeting, Capital Planning, and Grant Management
  - 3. Investing, Cash Management, Revenue Collection, and Banking
  - 4. Debt Administration and Issuance
  - 5. Payroll and Human Resources
  - 6. Fiscal Policies
  - 7. Risk Management
  - 8. Procurement
  - 9. Internal Controls
- Ethics for Government Finance Officers
- Revenues and California-Specific Limitations, Propositions, etc.
  - 1. Overview / Limitations Under State Law
  - 2. Revenue Fundamentals I & II Core Courses (maybe) or Equivalent
  - 3. Setting User Fees and Impact Fees in California
  - 4. Raising New Revenues in California
- Governance and the Role of the Finance Director
  - 1. Critical Elements of the Finance Director’s Role in Agency Leadership
  - 2. Brown Act, Public Records Act, etc.

3. Agenda Process
  4. Navigating the Political Landscape
  5. Promoting Financial Transparency
- Other California-Specific Topics
    1. California Government Code Limitations on Investments
    2. SB 90 Mandated Costs
    3. Gann Limit
    4. State Controller's Reports / Compensation Reports, etc.
    5. State Debt Reporting Requirements
    6. Establishing LLMDs, BIDs, CFDs, ADs, and Other Special Districts
    7. Procurement Requirements in California Including the Uniform Cost Accounting Act
    8. Understanding CalPERS Actuarial Reports and Pension Terminology
    9. State Programs and Agencies of Benefit to Finance Officers (e.g. DOF, LAO, CSCDA, etc.)
    10. Types of Consultants of Use to Finance Officers and Their Uses
    11. Miscellaneous Government Code Provisions Impacting Finance Officers

### **Next Steps**

Following feedback from the Board regarding the topics covered in this report, the Working Group proposes issuing an RFP to several people familiar to the CSMFO leadership (additional names are welcome). After receiving responses to that RFP, the Working Group would select a recommended consultant, agree to a proposed fee, and then seek Board approval of a contract and fee amount to proceed with development of the program materials and finalized structure.

Parallel to the RFP process, we also recommend surveying the membership to gauge interest in the proposed program and to seek validation of the proposed program format and content outlined in this report.

Over the next year, the course and exam materials from other states would be evaluated to determine if they can be used for a portion of our program, the program outline would be refined, additional Board feedback would be solicited, and ultimately a final program design and course materials would be developed. Again, we expect this to be a lengthy process and anticipate launching this program no earlier than the 2020 Annual Conference.

### **Recommendations:**

It is recommended that the CSMFO Board of Directors:

1. Determine whether this program should move forward, and if so provide feedback as to any modifications that the Board would like to see to the preliminary concept outlined in this report;

2. Concur with the use of reserve funds for the development of this program;
3. Authorize the Certification Working Group to conduct a survey of the membership;
4. Authorize the issuance of an RFP to identify a consultant to further develop the curriculum and program format; and
5. Direct the Certification Working Group to return to the Board as soon as practicable with a recommended consultant, scope, and fee, as well as the results of the survey of the membership.

Attachments:

1. Matrix of Existing State Certification Programs

**Attachment 1**  
**Matrix of Key Elements of Existing State Certification Programs**

<b>Program Element</b>	<b>Florida</b>	<b>Texas</b>	<b>Oregon</b>
Designation	CGFO	CGFO	OGFOA CPFO
Letters of Recommendation Required	2	None	None
Education required	BS/BA+	BS/BA+	No degree required
Experience required	Relevant degree + 3 recent years or other degree + 5 recent years 20 hours of continuing education	Point system for work experience, GFOAT experience, and degree(s)	Point system for experience and education
Code of Ethics Exam	Yes	No	No
Program Cost	\$50 application + \$30/exam	\$100 application + \$100/exam / \$40/year renewal fee	\$50 application / \$25/2 years renewal fee
CPE	80 hours / 2 years	75 hours / 3 years	65 points / 2 years
Org. Volunteer Activities Eligible for CPE?	Yes	Yes	Yes
How long to pass exam?	3 years	4 years	4 years
Exam materials source	TX GFOA (now 4 <sup>th</sup> version)	Self-Developed	N/A
Current designation holders	560+	260+	Unknown
Number of exams	5	5	N/A
Exam topics	Accounting & Financial Reporting Municipal Budgeting Treasury Management Debt Administration Financial Administration	Accounting & Financial Reporting Budgeting & Capital Planning Cash Management Debt Management Public Finance	None – they require 3 “core courses” – 3 quarters of accounting, a governmental accounting class, and a finance course. They also require points in five categories achieved through attending continuing education



## **CSMFO BOARD REPORT**

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DATE: January 8, 2019

FROM: Jason Al-Imam, Professional Standards Committee Chair

SUBJECT: Professional Standards Committee Goals and Objectives for 2019

### **Background:**

The Board's 2014-2016 Strategic Action Plan for the Professional Standards Committee set forth the goal of establishing an inventory of existing professional standards (or "best practices") in order to develop an online repository of resources. Thereafter, the goal was to determine where gaps existed and to consider CSMFO's role in developing professional standards.

A group of governmental and commercial "subject matter experts" was assembled with an array of experience across multiple fields of municipal finance. The Committee identified six areas for inventorying, which consisted of:

- Financial Management and Budgeting
- Accounting and Financial Reporting
- Retirement and Benefits Administration
- Treasury and Investment Management
- Capital Finance and Debt Administration
- Grant Management

After completing the inventory of resources in 2017, it was noted that the inventory largely consisted of GFOA best practices. Due to the redundancy of this inventory to resources already readily available, the Professional Standards Committee believes that the CSMFO membership would benefit from a redirection of Committee efforts for 2019. The Professional Standards Committee is seeking direction from the Board with respect to the Committee's goals and objectives for 2019.

The Committee could be used in a number of different ways to add value to CSMFO membership. For example, in 2019, the Professional Standards Committee could direct its efforts toward emerging issues in order to ensure that members are properly informed of new laws,

public policy issues, professional standards, etc. For example, new amendments to SEC Rule 15c2-12 go into effect in February 2019, which govern disclosure requirements associated with municipal securities. The Professional Standards Committee could develop a “What You Need to Know” document that summarizes the key issues associated with the emerging issue. The “What You Need to Know” document is not intended to replace any training material developed by CSMFO, GFOA, etc. Instead, it provides succinct information to help members quickly and easily assess whether or not an issue has an impact on their organization. In fact, the “What You Need to Know” document may often work in tandem with efforts by the GFOA or CSMFO Career Development Committee by directing members to those resources for additional information.

The Professional Standards Committee could be directed in other ways, if so desired by the Board. Accordingly, the Committee is seeking direction from the Board with respect to the Professional Standards Committee’s goals and objectives for 2019.

**Recommendation:**

It is recommended that the CSMFO Board of Directors provide direction to the Professional Standards Committee with respect to the Committee’s goals and objectives for 2019.