



Thursday, November 7, 2019

2:00 p.m. – 4:00 p.m.

Board of Directors Meeting

Call-in: 16468769923

Meeting ID: 388985592

Join Zoom Meeting:

<https://zoom.us/j/388985592>

1. Introduction
 - a. Welcome/Roll Call
 - b. Additions to Agenda
2. Consent Items 2:05 p.m.
 - a. Approval of minutes from October 3 and October 8 2019
 - b. Approval of September 2019 financial statements
3. Discussion/Action Items 2:10 p.m.
 - a. Ad Hoc Follow Up (Margaret Moggia)
 - b. GFOA Code of Ethics (Richard Lee)
 - c. Appointment of Secretary/Treasurer (Margaret Moggia)
 - d. PPAC (John Adams/Margaret Moggia)
 - e. 2023 Site Selection (Margaret Moggia)
4. Committee Reports 3:10 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 3:20 p.m.

6. League of California Cities Policy Committee Reports 3:30 p.m.
 - a. Community Services (Scott Koll)
 - b. Environmental Quality (Arwen Wacht)
 - c. Governance, Transparency & Labor (Joe Lillio)
 - d. Housing, Community & Economic Development (Don Harrison)
 - e. Public Safety (Brad Wilkie)
 - f. Revenue & Taxation (Marcus Pimentel)
 - g. Transportation, Communications & Public Works (Kathryn Downs)
8. Director Roundtable 3:40 p.m.
9. Officer Reports 3:50 p.m.
 - a. President (Joan Michaels Aguilar)
 - b. Past President (Margaret Moggia)
 - c. President-Elect (Steve Heide)
10. Other Items
11. Upcoming Meeting:
Thursday, December 5, 2-4pm
12. Adjournment 12:00 p.m.

CSMFO Closed Session Board of Directors Meeting
Minutes
October 3, 2019
1:00 – 2:00 p.m.

The CSMFO Board of Directors met via teleconference under closed session on Thursday, October 3, 2019. President Joan Michaels Aguilar called the meeting to order at 1:03p.m. and established a quorum. In attendance were:

Joan Michaels Aguilar
Steve Heide
Margaret Moggia
Scott Catlett
Will Fuentes
Carrie Guarino
Richard Lee
Jennifer Wakeman
Ernie Reyna
Melissa Manchester

Director Jennifer Wakeman moved to allow Stephen Parker to remain on the CSMFO Board of Directors ballot for Board Member South, under the six-month temporary extension provision in the event of loss of employment. Director Ernie Reyna seconded and the motion passed unanimously. President Michaels Aguilar will establish a small working group to revise the Bylaws to allow for more clarity on this item and bring other practices up to date as necessary.

With nothing further to discuss, the Board meeting adjourned at 1:36pm.

Respectfully submitted,

Melissa Manchester



**Tuesday, October 8, 2019
2:00 p.m. – 4:00 p.m.
Board of Directors Meeting**

Joan Michaels Aguilar
Steve Heide
Margaret Moggia
Will Fuentes
Jennifer Wakeman
Richard Lee
Scott Catlett
Carrie Guarino
Ernie Reyna
Kim Scott
Kate Zawadzki
John Adams
Jason Al-Imam
Pamela Arends-King
Craig Boyer
Mary Bradley
Brigitte Elke
Kyle Johnson
Stephen Parker
Matt Pressey
Karan Reid

Stephanie Reimer
Marcus Pimentel
Vanessa Portillo
Alberto Preciado
David Cain
Grace Castaneda
Laura Nomura
Yolanda Rodriguez
Karla Romero
Sara Roush
Terry Shea
Jesse Takahashi
Brad Wilkie
Bill Statler
Rich Foreman
Janet Salvetti
Harriet Commons
David Garrison
Zach Seals
Catherine Smith
Melissa Manchester

Introduction

The California Society of Municipal Finance Officers (CSMFO) Board of Directors met at the Disneyland Hotel on Tuesday, October 8, 2019. President Joan Michaels Aguilar convened the meeting and confirmed a quorum was in attendance at 8:42 a.m. There were no additions to the agenda.

Consent Calendar

The Board addressed the consent calendar, which included the minutes from the September meeting and the 2018 CSMFO tax return. It was noted that Carrie Guarino and Scott Catlett were also in attendance at the September meeting. Director Ernie Reyna moved to approve the consent calendar with the minutes as amended; Director Richard Lee seconded. The motion passed unanimously.

Membership Survey Report

Membership Committee Chair Grace Castaneda reviewed with the Board the results of the membership survey conducted by Probolsky Research. She noted that the majority of executive-level members attend local chapter meetings regularly, but that the majority of entry- and mid-level members do not; and that most respondents were unsure of whether they would like to be more involved.

Certification Report

Past President Margaret Moggia introduced consultant Bill Statler, who presented a report on CSMFO potentially creating a certification program. The general response from the membership was favorable, and there was a discussion regarding options and next steps. Past President Moggia moved to proceed with Phase 1B of the project, to pursue the certification program. Director Jennifer Wakeman seconded, and the motion passed unanimously.

CSMFO App

Director Lee presented to the Board an update on the CSMFO app. To move forward with production, the options with Apptology are to develop a new look/interface from scratch, which would cost approximately \$35,000 plus an additional \$6,000 annually to maintain; or to use an existing template, which would cost \$5,000 plus \$840 annually to maintain. The Technology Committee recommends the latter. Past President Moggia moved to approve an additional \$5840 in the 2019 budget to move forward with the app; Director Reyna seconded. The motion passed unanimously.

Student Engagement Future

Director Wakeman shared with the Board the efforts of the Student Engagement Working Group, noting that there are now forty student members. There was a lengthy discussion regarding whether to create a standing committee for student engagement. Past President Moggia moved to direct the working group to develop a Roles and Responsibilities document to have Student Engagement become a standing committee. Director Lee seconded, and the motion passed unanimously.

2020 Annual Conference Budget

President-Elect Steve Heide and Conference Coordinator Janet Salvetti presented to the Board the proposed 2020 conference budget, which has a gross income of \$1.315 million and expenses of \$1.379 million, for a net income of negative \$63,792. Director Wakeman moved to approve the budget as presented, and Director Lee seconded. The motion passed unanimously.

Preliminary 2020 Operating Budget

President-Elect Heide and Executive Director Melissa Manchester presented to the Board the preliminary 2020 operating budget, noting an overall deficit of approximately \$167,000. Executive Director Manchester noted that historically CSMFO has budgeted in the negative but actualized a positive net income. The 2018 year was the first in recent history with a negative net income, and 2019 looks to be following suit. If the budget as projected for 2020 is realized, some changes will need to be made for 2021 and beyond to make CSMFO operations sustainable.

CSMFO Subcontract Executive Director Report

Past President Moggia introduced the ad hoc report to the Board. The Board went into closed session to discuss. Past President Moggia moved to approve the nine recommendations as outlined on the Board report. Director Reyna seconded, and the motion passed unanimously.

Committee Reports

Administration

Chair Zawadzki reported that the committee is working on a records retention policy.

Career Development

Chair Nomura shared that the budgeting course should be completed within the next couple months, with it debuting as a preconference session.

Communications

Chair Pimentel shared that the new format of weekly emails and web page is working well, and there are several articles in the queue.

Membership

Chair Castaneda shared that the committee is starting to work on the booth for 2020.

Professional Standards

Chair Al-Imam reported that the committee is working on a Committee Highlight of a new GFPA best practice that deals with Collateralization of Public Deposits. It was also reported that the CalCPA Governmental Accounting and Audit (GAA) Committee is continuing to work on a GASB 84 White Paper on California-specific issues related to fiduciary activities. The GAA's White Paper on GASB 84 is expected to be issued over the next several months.

Program

Harriet Commons reported that the committee has the schedule mostly completed. There will be three full-day preconference sessions and one half-day. There are 24 possible hours of CPE credits.

Recognition

Chair Roush reported that all awards should be completed by the Annual Conference.

Technology

Chair Pressey reiterated the Higher Logic transition information, noting that communication on the new platform is planned for the conference.

Officer Reports

President Aguilar shared that the Executive Committee had discussed Stephen Parker's eligibility to be on the Board election ballot. The Board of Directors met in a special meeting to discuss as well, and unanimously confirmed his eligibility. The issue, however, raised the necessity of the Bylaws to be clearer in this regard. A Bylaws Subcommittee was formed to review and propose an amendment to the Board and membership. President Aguilar, Past President Moggia, Executive Director Manchester and Mary Bradley comprise the subcommittee.

President Aguilar further noted that the committee chair call scheduled for Monday, October 14 was canceled.

President-Elect Heide thanked everyone for participating in the planning session from the previous day, and shared that a draft 2020-2022 plan would be presented to the Board for approval in January. Regarding the conference, he noted that the Wednesday night party in Cars Land would be held from 10:30pm – 1am, and that the "giving back to the community" campaign would be promoted on the website.

The next meeting will be held on Thursday, November 7, 2019, via teleconference.

Meeting adjourned at 12:37 p.m.

Respectfully submitted,

Melissa Manchester

SUMMARY OF APPROVED MOTIONS

Director Ernie Reyna moved to approve the consent calendar, which consisted of the 2018 CSMFO tax return and September minutes as amended; Director Richard Lee seconded. The motion passed unanimously.

Past President Moggia moved to proceed with Phase 1B of the CSMFO certification project. Director Jennifer Wakeman seconded, and the motion passed unanimously.

Past President Moggia moved to approve an additional \$5840 in the 2019 budget to move forward with the CSMFO app; Director Reyna seconded. The motion passed unanimously.

Past President Moggia moved to direct the Student Engagement working group to develop a Roles and Responsibilities document to have Student Engagement become a standing committee. Director Lee seconded, and the motion passed unanimously.

Director Wakeman moved to approve the 2020 Annual Conference budget as presented, including a deficit of \$63,792. Director Lee seconded. The motion passed unanimously.

Past President Moggia moved to approve the nine recommendations as outlined on the Board report on the Subcontract of the Executive Director role. Director Reyna seconded, and the motion passed unanimously.

A Bylaws subcommittee was formed to present a proposed revision relating to Board member eligibility.

California Society of Municipal Finance Officers

Statement of Net Assets

As of September 30, 2019

	Sep 30, 19	Sep 30, 18	\$ Change	% Change
ASSETS				
Current Assets				
Checking/Savings				
1005 • Bank of America				
1050 • Chapter Fund Balances				
1050.10 • Central Coast	1,351.60	1,751.72	(400.12)	(22.84%)
1050.13 • Central Los Angeles	577.21	1,450.08	(872.87)	(60.2%)
1050.06 • Central Valley	1,265.29	1,484.03	(218.74)	(14.74%)
1050.11 • Channel Counties	4,644.92	5,315.00	(670.08)	(12.61%)
1050.18 • Coachella Valley	(2,309.75)	(1,542.45)	(767.30)	(49.75%)
1050.15 • Desert Mountain	(255.00)	345.00	(600.00)	(173.91%)
1050.05 • East Bay (SF)	1,086.10	3,038.10	(1,952.00)	(64.25%)
1050.17 • Inland Empire	10,597.87	14,383.03	(3,785.16)	(26.32%)
1050.08 • Monterey Bay	5,741.73	4,593.41	1,148.32	25.0%
1050.03 • North Coast	(664.35)	1,110.00	(1,774.35)	(159.85%)
1050.01 • Northwest Counties	(1,998.57)	0.00	(1,998.57)	(100.0%)
1050.02 • Northeast Counties	22.37	500.00	(477.63)	(95.53%)
1050.16 • Orange County	4,079.25	10,108.94	(6,029.69)	(59.65%)
1050.07 • Peninsula	2,306.01	81.07	2,224.94	2,744.47%
1050.04 • Sacramento Valley	3,262.02	2,536.47	725.55	28.61%
1050.19 • San Diego County	2,479.91	3,097.96	(618.05)	(19.95%)
1050.12 • San Gabriel Valley	(384.59)	944.73	(1,329.32)	(140.71%)
1050.14 • South Bay (LA)	4,246.52	(117.69)	4,364.21	3,708.23%
1050.09 • South San Joaquin	197.45	(1,498.07)	1,695.52	113.18%
Total 1050 • Chapter Fund Balances	36,245.99	47,581.33	(11,335.34)	(23.82%)
1005 • Bank of America - Other	528,569.92	298,210.10	230,359.82	77.25%
Total 1005 • Bank of America	564,815.91	345,791.43	219,024.48	63.34%
1040 • Investments LAIF	650,725.84	831,553.48	(180,827.64)	(21.75%)
Total Checking/Savings	1,215,541.75	1,177,344.91	38,196.84	3.24%
Accounts Receivable				
1100 • Accounts receivable	1,330.00	2,150.00	(820.00)	(38.14%)
Total Accounts Receivable	1,330.00	2,150.00	(820.00)	(38.14%)
Other Current Assets				
1080 • Undeposited Funds	0.00	290.70	(290.70)	(100.0%)
1120 • Accounts Receivable- YM	25,295.00	23,431.00	1,864.00	7.96%
1250 • Prepaid Expense - General				
1252 • Prepaid Admin/DataBase Fees	74,723.28	100,087.62	(25,364.34)	(25.34%)
1250 • Prepaid Expense - General - Other	10,467.85	2,091.95	8,375.90	400.39%
Total 1250 • Prepaid Expense - General	85,191.13	102,179.57	(16,988.44)	(16.63%)
1260 • Prepaid Expense Conference				
1261 • Guest Speakers	32,250.00	22,875.00	9,375.00	40.98%
1262 • Facilities Deposits	33,000.00	9,191.24	23,808.76	259.04%
1263 • President's Dinner	0.00	6,026.92	(6,026.92)	(100.0%)
1264 • Conference Services	5,807.10	54,166.17	(48,359.07)	(89.28%)
1260 • Prepaid Expense Conference - Other	26,234.99	5,834.04	20,400.95	349.69%
Total 1260 • Prepaid Expense Conference	97,292.09	98,093.37	(801.28)	(0.82%)
Total Other Current Assets	207,778.22	223,994.64	(16,216.42)	(7.24%)

California Society of Municipal Finance Officers

Statement of Net Assets

As of September 30, 2019

	Sep 30, 19	Sep 30, 18	\$ Change	% Change
Total Current Assets	1,424,649.97	1,403,489.55	21,160.42	1.51%
Other Assets				
1500 · CSMFO/SMA Database AR	57,565.92	48,981.00	8,584.92	17.53%
Total Other Assets	57,565.92	48,981.00	8,584.92	17.53%
TOTAL ASSETS	1,482,215.89	1,452,470.55	29,745.34	2.05%
LIABILITIES & EQUITY				
Liabilities				
Current Liabilities				
Accounts Payable				
2000 · Accounts payable	12,840.27	11,061.06	1,779.21	16.09%
Total Accounts Payable	12,840.27	11,061.06	1,779.21	16.09%
Other Current Liabilities				
2001 · Taxes Due	0.00	(984.00)	984.00	100.0%
2003 · A/P Other- SMA Conference	11,906.40	11,087.19	819.21	7.39%
2010 · Deferred Revenue - Conference				
2011 · Conference Exhibitor/Sponsor	0.00	219,000.00	(219,000.00)	(100.0%)
2014 · Conference Gov Full Normal	0.00	113,310.00	(113,310.00)	(100.0%)
2016 · Conference Gov Daily Normal	0.00	800.00	(800.00)	(100.0%)
2018 · Conference Com Full Reg Normal	0.00	8,475.00	(8,475.00)	(100.0%)
2019 · Conference Banquet	0.00	115.00	(115.00)	(100.0%)
2020 · Conference PreConf-SessionA	0.00	2,400.00	(2,400.00)	(100.0%)
2021 · Conference PreConf-SessionB	0.00	3,150.00	(3,150.00)	(100.0%)
2024 · Conference Pre-Conf Session C	0.00	2,550.00	(2,550.00)	(100.0%)
2010 · Deferred Revenue - Conference - Otl	450,910.00	0.00	450,910.00	100.0%
Total 2010 · Deferred Revenue - Conference	450,910.00	349,800.00	101,110.00	28.91%
Total Other Current Liabilities	462,816.40	359,903.19	102,913.21	28.6%
Total Current Liabilities	475,656.67	370,964.25	104,692.42	28.22%
Total Liabilities	475,656.67	370,964.25	104,692.42	28.22%
Equity				
3102 · Conference reserve	364,860.00	0.00	364,860.00	100.0%
3101 · Operating reserve	144,139.00	0.00	144,139.00	100.0%
3020 · Retained earnings	359,270.95	865,754.42	(506,483.47)	(58.5%)
3100 · Net Assets-Chapters	33,705.65	37,223.01	(3,517.36)	(9.45%)
Net Income	104,583.62	178,528.87	(73,945.25)	(41.42%)
Total Equity	1,006,559.22	1,081,506.30	(74,947.08)	(6.93%)
TOTAL LIABILITIES & EQUITY	1,482,215.89	1,452,470.55	29,745.34	2.05%

California Society of Municipal Finance Officers

Profit & Loss

January through Sept 2019

	Total Chapters	Conference	Education	Unclassified	TOTAL
Ordinary Income/Expense					
Income					
4000 · OPERATING REVENUES	0.00	0.00	0.00	416,498.98	416,498.98
Total Income	0.00	0.00	0.00	416,498.98	416,498.98
Gross Profit	0.00	0.00	0.00	416,498.98	416,498.98
Expense					
6100 · OPERATING EXPENSES	60.00	6,598.50	0.00	387,597.22	394,255.72
6900 · OTHER EXPENSES	0.00	0.00	0.00	20,715.00	20,715.00
9950 · Prior Period Adjustment	130.00	0.00	0.00	(550.00)	(420.00)
Total Expense	190.00	6,598.50	0.00	407,762.22	414,550.72
Net Ordinary Income	(190.00)	(6,598.50)	0.00	8,736.76	1,948.26
Other Income/Expense					
Other Income					
4501 · Chapter Income	59,168.00	0.00	0.00	0.00	59,168.00
4500 · PROGRAM REVENUES	0.00	1,061,342.58	69,917.50		1,131,260.08
8999 · YM Import Items	0.00	0.00	0.00	0.00	0.00
Total Other Income	59,168.00	1,061,342.58	69,917.50	0.00	1,190,428.08
Other Expense					
6401 · Chapter Expenses	50,685.48		0.00	0.00	50,685.48
6400 · PROGRAM EXPENSES	0.00	992,469.14	44,638.10		
Total Other Expense	50,685.48	992,469.14	44,638.10	0.00	1,087,792.72
Net Other Income	8,482.52	68,873.44	25,279.40	0.00	102,635.36
Net Income	8,292.52	62,274.94	25,279.40	8,736.76	104,583.62

California Society of Municipal Finance Officers

Profit & Loss Budget Performance

September 2019

	Sep 19	Jan - Sep 19	YTD Budget	\$ Over Budget	% of Budget	Annual Budget
Ordinary Income/Expense						
Income						
4155 · Dues NewMem-Education	0.00	0.00	0.00	0.00	0.0%	0.00
Total 4100 · Membership Dues	8,225.00	260,000.00	248,600.00	11,400.00	104.59%	250,600.00
4200 · Interest Income	309.88	12,391.48	11,200.00	1,191.48	110.64%	15,000.00
4302 · Magazine Advertising	0.00	11,657.50	5,000.00	6,657.50	233.15%	5,000.00
4303 · Job Board Post - Member	14,825.00	115,800.00	105,300.00	10,500.00	109.97%	139,000.00
4490 · Budget/CAFR Fees	13,500.00	16,650.00	19,000.00	(2,350.00)	87.63%	19,850.00
Total 4000 · OPERATING REVENUES	36,859.88	416,498.98	389,100.00	27,398.98	107.04%	429,450.00
Total Income	36,859.88	416,498.98	389,100.00	27,398.98	107.04%	429,450.00
Gross Profit	36,859.88	416,498.98	389,100.00	27,398.98	107.04%	429,450.00
Expense						
6100 · OPERATING EXPENSES						
6105 · Marketing/Membership	0.00	13,151.26	3,000.00	10,151.26	438.38%	6,650.00
6110 · President's Expense - Other	0.00	2,749.43	5,175.00	(2,425.57)	53.13%	6,900.00
6115 · Board of Directors - Other	0.00	2,279.52	5,220.00	(2,940.48)	43.67%	7,100.00
6120 · Committee/Chapter Support - Other	0.00	23.70	0.00	23.70	100.0%	0.00
Total 6120 · Committee/Chapter Support	0.00	8,973.10	41,975.00	(33,001.90)	21.38%	56,000.00
6470 · Coaching Program Consultant	0.00	43,321.00	43,920.00	(599.00)	98.64%	87,840.00
Total 6140 · Management Services	13,286.86	178,549.45	175,697.25	2,852.20	101.62%	270,543.00
6150 · Office Supplies	0.00	48.75	135.00	(86.25)	36.11%	300.00
6155 · Merchant Fees/Bank Chgs.	7,953.17	23,991.88	26,000.00	(2,008.12)	92.28%	35,000.00
6165 · Printing - Other	762.97	762.97	0.00	762.97	100.0%	0.00
Total 6165 · Printing	806.01	15,123.03	9,499.00	5,624.03	159.21%	10,000.00
6170 · Magazine	0.00	7,123.00	8,700.00	(1,577.00)	81.87%	15,000.00
6175 · Postage	91.90	1,919.52	2,999.00	(1,079.48)	64.01%	4,000.00
6190 · Web and Technology - Other	0.00	21,799.00	24,000.00	(2,201.00)	90.83%	25,000.00
Total 6190 · Web and Technology	831.90	31,615.90	24,000.00	7,615.90	131.73%	25,000.00
6200 · Travel/Staff Expenses	0.00	2,145.17	5,000.00	(2,854.83)	42.9%	5,000.00
6220 · Audit & Tax Filing	0.00	8,120.00	7,550.00	570.00	107.55%	9,000.00
6246 · Prior Year Taxes	(4,732.00)	(4,732.00)	0.00	(4,732.00)	100.0%	0.00
Total 6240 · Taxes	0.00	26,175.00	15,000.00	11,175.00	174.5%	30,000.00
6255 · GFOA Reception	0.00	51,668.66	25,000.00	26,668.66	206.68%	25,000.00
6970 · One-Time Budgeted Expenses	1,278.75	20,715.00	25,000.00	(4,285.00)	82.86%	25,000.00

California Society of Municipal Finance Officers

Profit & Loss Budget Performance

September 2019

Total 6900 · OTHER EXPENSES	1,278.75	20,715.00	25,000.00	(4,285.00)	82.86%	25,000.00
9950 · Prior Period Adjustment	130.00	(420.00)	0.00	(420.00)	100.0%	0.00
Total Expense	31,352.81	414,550.72	405,127.25	9,423.47	102.33%	589,443.00
Net Ordinary Income	5,507.07	1,948.26	(16,027.25)	17,975.51	(12.16%)	(159,993.00)
Other Income/Expense						
Total 4501 · Chapter Income	7,220.00	59,168.00	74,997.00	(15,829.00)	78.89%	100,000.00
4504 · Education income						
Total 4520 · Weekend Training	5,155.00	5,155.00	11,600.00	(6,445.00)	44.44%	20,100.00
4540 · Fundamentals of Rates, Fees	0.00	6,750.00				
4570 · Intro to Government	0.00	19,837.50	13,125.00	6,712.50	151.14%	13,125.00
4580 · Presentation/Fiscal Policy	(450.00)	0.00	3,900.00	(3,900.00)	0.0%	3,900.00
4590 · Intermediate Government Acct	6,900.00	20,250.00	39,900.00	(19,650.00)	50.75%	39,900.00
4594 · CMTA/CSMFO Course	0.00	3,750.00	3,000.00	750.00	125.0%	3,000.00
4595 · Revenue Fundamentals	0.00	0.00	6,000.00	(6,000.00)	0.0%	6,000.00
4596 · Revenue Fundamentals II	0.00	0.00	6,000.00	(6,000.00)	0.0%	6,000.00
4597 · Developing Supervisory Skills	0.00	4,000.00	10,000.00	(6,000.00)	40.0%	10,000.00
4598 · Leadership Skills	0.00	0.00	10,000.00	(10,000.00)	0.0%	10,000.00
Total 4504 · Education income	11,605.00	69,917.50	103,525.00	(33,607.50)	67.54%	112,025.00
Total Other Income	18,825.00	1,190,428.08	1,198,626.00	(8,197.92)	99.32%	1,232,129.00
Total 6401 · Chapter Expenses	5,463.61	50,685.48	74,997.00	(24,311.52)	67.58%	100,000.00
Total 9000 · Conference Expenses	1,311.55	992,469.14	1,044,698.00	(52,228.86)	95.0%	1,044,698.00
6420 · Weekend Training - Other	0.00	0.00	0.00	0.00	0.0%	25,000.00
6430 · Intro to Government - Other	12,327.14	14,685.71	14,875.00	(189.29)	98.73%	14,875.00
Total 6430 · Intro to Government	12,327.14	14,685.71	14,875.00	(189.29)	98.73%	14,875.00
6450 · Presentation/Fiscal Policy - Other	0.00	0.00	4,630.00	(4,630.00)	0.0%	4,630.00
6480 · Intermediate Governmental Acct. - Other	0.00	18,371.96	33,970.00	(15,598.04)	54.08%	33,970.00
Total 6480 · Intermediate Governmental Acct.	0.00	18,371.96	33,970.00	(15,598.04)	54.08%	33,970.00
6594 · CMTA/CSMFO Course Exp	0.00	493.80	1,900.00	(1,406.20)	25.99%	1,900.00
6595 · Revenue Fundamental Expense	0.00	583.57	6,000.00	(5,416.43)	9.73%	6,000.00
6597 · Developing Supervisory Skills - Other	0.00	0.00	12,350.00	(12,350.00)	0.0%	12,350.00
Total 6597 · Developing Supervisory Skills	0.00	360.00	12,350.00	(11,990.00)	2.92%	12,350.00
6598 · Leadership Skills	0.00	5,816.06	12,350.00	(6,533.94)	47.09%	12,350.00
Total 6404 · Education Expenses	12,327.14	44,638.10	92,075.00	(47,436.90)	48.48%	117,075.00
Total 6400 · PROGRAM EXPENSES	13,638.69	1,037,107.24	1,136,773.00	(99,665.76)	91.23%	1,161,773.00
Total Other Expense	19,102.30	1,087,792.72	1,211,770.00	(123,977.28)	89.77%	1,261,773.00
Net Other Income	(277.30)	102,635.36	(13,144.00)	115,779.36	(780.85%)	(29,644.00)
Net Income	5,229.77	104,583.62	(29,171.25)	133,754.87	(358.52%)	(189,637.00)

California Society of Municipal Finance Officers

P&L YTD With Prior Year

January through September 2019

	Jan - Sep 19	Jan - Sep 18	\$ Change
Ordinary Income/Expense			
Income			
4000 · OPERATING REVENUES			
4100 · Membership Dues	260,000.00	248,130.00	11,870.00
4200 · Interest Income	12,391.48	15,022.02	(2,630.54)
4302 · Magazine Advertising	11,657.50	7,857.50	3,800.00
4303 · Job Board Post - Member	115,800.00	99,515.00	16,285.00
4490 · Budget/CAFR Fees	16,650.00	16,200.00	450.00
Total 4000 · OPERATING REVENUES	416,498.98	386,724.52	29,774.46
Total Income	416,498.98	386,724.52	29,774.46
Gross Profit	416,498.98	386,724.52	29,774.46
Expense			
6100 · OPERATING EXPENSES			
6105 · Marketing/Membership	13,151.26	888.56	12,262.70
6106 · Storage Expense	832.98	510.68	322.30
6110 · President's Expense	3,183.22	2,115.37	1,067.85
6115 · Board of Directors	3,959.52	3,802.85	156.67
6120 · Committee/Chapter Support	8,973.10	6,176.24	2,796.86
6125 · Board Planning Session-Retreat	10,825.49	11,154.87	(329.38)
6140 · Management Services	178,549.45	166,135.22	12,414.23
6150 · Office Supplies	48.75	187.17	(138.42)
6155 · Merchant Fees/Bank Chgs.	23,991.88	28,374.92	(4,383.04)
6160 · Awards	4,694.25	4,572.49	121.76
6165 · Printing	15,123.03	12,165.21	2,957.82
6170 · Magazine	7,123.00	8,527.11	(1,404.11)
6175 · Postage	1,919.52	1,414.48	505.04
6185 · Telephone/Bridge Calls	386.54	1,089.86	(703.32)
6190 · Web and Technology	31,615.90	8,992.42	22,623.48
6200 · Travel/Staff Expenses	2,145.17	3,434.20	(1,289.03)
6220 · Audit & Tax Filing	8,120.00	7,550.00	570.00
6230 · Insurance	1,769.00	1,219.00	550.00
6240 · Taxes	26,175.00	26,808.13	(633.13)
6255 · GFOA Reception	51,668.66	20,389.53	31,279.13
Total 6100 · OPERATING EXPENSES	394,255.72	315,508.31	78,747.41
6900 · OTHER EXPENSES	20,715.00	0.00	20,715.00
9950 · Prior Period Adjustment	(420.00)	6,670.22	(7,090.22)
Total Expense	414,550.72	322,178.53	92,372.19
Net Ordinary Income	1,948.26	64,545.99	(62,597.73)
Other Income/Expense			
Other Income			
4501 · Chapter Income	59,168.00	75,319.00	(16,151.00)
4500 · PROGRAM REVENUES			
4504 · Education income			
4505 · Webinar	10,175.00	3,425.00	6,750.00
4520 · Weekend Training	5,155.00	11,025.00	(5,870.00)
4540 · Fundamentals of Rates, Fees	6,750.00	0.00	6,750.00
4570 · Intro to Government	19,837.50	14,025.00	5,812.50

California Society of Municipal Finance Officers

P&L YTD With Prior Year

January through September 2019

4580 · Presentation/Fiscal Policy	0.00	3,450.00	(3,450.00)
4590 · Intermediate Government Acct	20,250.00	21,450.00	(1,200.00)
4594 · CMTA/CSMFO Course	3,750.00	1,350.00	2,400.00
4595 · Revenue Fundamentals	0.00	3,750.00	(3,750.00)
4596 · Revenue Fundamentals II	0.00	375.00	(375.00)
4597 · Developing Supervisory Skills	4,000.00	3,000.00	1,000.00
Total 4504 · Education income	69,917.50	61,850.00	8,067.50
Total 4500 · PROGRAM REVENUES	1,131,260.08	972,890.36	158,369.72
8999 · YM Import Items	0.00	0.00	0.00
Total Other Income	1,190,428.08	1,048,209.36	142,218.72
Other Expense			
6401 · Chapter Expenses	50,685.48	70,933.28	(20,247.80)
6400 · PROGRAM EXPENSES			
9000 · Conference Expenses	992,469.14	817,900.27	174,568.87
6404 · Education Expenses			
6420 · Weekend Training	0.00	0.00	0.00
6430 · Intro to Government	14,685.71	12,640.73	2,044.98
6445 · Fundamentals of Rates Expense	1,127.00	0.00	1,127.00
6450 · Presentation/Fiscal Policy	0.00	4,318.07	(4,318.07)
6480 · Intermediate Governmental Acct.	18,371.96	22,069.64	(3,697.68)
6594 · CMTA/CSMFO Course Exp	493.80	442.79	51.01
6595 · Revenue Fundamental Expense	583.57	0.00	583.57
6596 · Revenue Fundamental Expense II	3,200.00	0.00	3,200.00
6597 · Developing Supervisory Skills	360.00	5,921.70	(5,561.70)
6598 · Leadership Skills	5,816.06	0.00	5,816.06
Total 6404 · Education Expenses	44,638.10	45,392.93	(754.83)
Total 6400 · PROGRAM EXPENSES	1,037,107.24	863,293.20	173,814.04
Total Other Expense	1,087,792.72	934,226.48	153,566.24
Net Other Income	102,635.36	113,982.88	(11,347.52)
Net Income	104,583.62	178,528.87	(73,945.25)

California Society of Municipal Finance Officers

Profit & Loss

January through Sept 2019

	Central Coast (Chapters)	Central Los Angeles (Chapters)	Central Valley (Chapters)	Channel Counties (Chapters)	Coachella Valley (Chapters)
Ordinary Income/Expense					
Income					
4000 · OPERATING REVENUES	0.00	0.00	0.00	0.00	0.00
Total Income	0.00	0.00	0.00	0.00	0.00
Gross Profit	0.00	0.00	0.00	0.00	0.00
Expense					
6100 · OPERATING EXPENSES	0.00	0.00	0.00	0.00	0.00
6900 · OTHER EXPENSES	0.00	0.00	0.00	0.00	0.00
9950 · Prior Period Adjustment	0.00	0.00	0.00	0.00	0.00
Total Expense	0.00	0.00	0.00	0.00	0.00
Net Ordinary Income	0.00	0.00	0.00	0.00	0.00
Other Income/Expense					
Other Income					
4501 · Chapter Income	756.00	1,575.00	1,687.00	4,040.00	2,780.00
4500 · PROGRAM REVENUES	0.00	0.00	0.00	0.00	0.00
8999 · YM Import Items	0.00	0.00	0.00	0.00	0.00
Total Other Income	756.00	1,575.00	1,687.00	4,040.00	2,780.00
Other Expense					
6401 · Chapter Expenses					
6401.79 · Current Year Chapter Expenses	1,145.49	1,099.23	564.76	2,377.15	2,502.39
6401 · Chapter Expenses - Other	0.00	0.00	0.00	0.00	0.00
Total 6401 · Chapter Expenses	1,145.49	1,099.23	564.76	2,377.15	2,502.39
6400 · PROGRAM EXPENSES	0.00	0.00	0.00	0.00	0.00
Total Other Expense	1,145.49	1,099.23	564.76	2,377.15	2,502.39
Net Other Income	(389.49)	475.77	1,122.24	1,662.85	277.61
Net Income	(389.49)	475.77	1,122.24	1,662.85	277.61

California Society of Municipal Finance Officers

Profit & Loss

January through Sept 2019

	Desert Mountain (Chapters)	East Bay (Chapters)	Inland Empire (Chapters)	Monterey Bay (Chapters)	North Coast (Chapters)	NorthWest (Chapters)	Orange County (Chapters)
Ordinary Income/Expense							
Income							
4000 · OPERATING REVENUES	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total Income	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Gross Profit	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Expense							
6100 · OPERATING EXPENSES	0.00	0.00	0.00	0.00	0.00	0.00	0.00
6900 · OTHER EXPENSES	0.00	0.00	0.00	0.00	0.00	0.00	0.00
9950 · Prior Period Adjustment	20.00	0.00	0.00	0.00	0.00	0.00	0.00
Total Expense	20.00	0.00	0.00	0.00	0.00	0.00	0.00
Net Ordinary Income	(20.00)	0.00	0.00	0.00	0.00	0.00	0.00
Other Income/Expense							
Other Income							
4501 · Chapter Income	0.00	3,240.00	11,190.00	4,670.00	925.00	0.00	9,250.00
4500 · PROGRAM REVENUES	0.00	0.00	0.00	0.00	0.00	0.00	0.00
8999 · YM Import Items	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total Other Income	0.00	3,240.00	11,190.00	4,670.00	925.00	0.00	9,250.00
Other Expense							
6401 · Chapter Expenses							
6401.79 · Current Year Chapter Expenses	0.00	4,042.82	9,343.65	2,086.01	690.00	1,998.57	13,908.84
6401 · Chapter Expenses - Other	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total 6401 · Chapter Expenses	0.00	4,042.82	9,343.65	2,086.01	690.00	1,998.57	13,908.84
6400 · PROGRAM EXPENSES	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total Other Expense	0.00	4,042.82	9,343.65	2,086.01	690.00	1,998.57	13,908.84
Net Other Income	0.00	(802.82)	1,846.35	2,583.99	235.00	(1,998.57)	(4,658.84)
Net Income	(20.00)	(802.82)	1,846.35	2,583.99	235.00	(1,998.57)	(4,658.84)

California Society of Municipal Finance Officers

Profit & Loss

January through Sept 2019

	Peninsula (Chapters)	Sacramento Valley (Chapters)	San Diego (Chapters)	San Gabriel Valley (Chapters)	South San Joaquin Valley (Chapters)	SouthBay (LA) (Chapters)	Total Chapters
Ordinary Income/Expense							
Income							
4000 · OPERATING REVENUES	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total Income	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Gross Profit	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Expense							
6100 · OPERATING EXPENSES	0.00	60.00	0.00	0.00	0.00	0.00	60.00
6900 · OTHER EXPENSES	0.00	0.00	0.00	0.00	0.00	0.00	0.00
9950 · Prior Period Adjustment	0.00	0.00	30.00	80.00	0.00	0.00	130.00
Total Expense	0.00	60.00	30.00	80.00	0.00	0.00	190.00
Net Ordinary Income	0.00	(60.00)	(30.00)	(80.00)	0.00	0.00	(190.00)
Other Income/Expense							
Other Income							
4501 · Chapter Income	3,010.00	1,245.00	3,320.00	5,120.00	2,825.00	3,535.00	59,168.00
4500 · PROGRAM REVENUES	0.00	0.00	0.00	0.00	0.00	0.00	0.00
8999 · YM Import Items	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total Other Income	3,010.00	1,245.00	3,320.00	5,120.00	2,825.00	3,535.00	59,168.00
Other Expense							
6401 · Chapter Expenses							
6401.79 · Current Year Chapter Expenses	505.79	1,227.73	3,235.35	3,519.10	1,938.60	500.00	50,685.48
6401 · Chapter Expenses - Other	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total 6401 · Chapter Expenses	505.79	1,227.73	3,235.35	3,519.10	1,938.60	500.00	50,685.48
6400 · PROGRAM EXPENSES	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total Other Expense	505.79	1,227.73	3,235.35	3,519.10	1,938.60	500.00	50,685.48
Net Other Income	2,504.21	17.27	84.65	1,600.90	886.40	3,035.00	8,482.52
Net Income	2,504.21	(42.73)	54.65	1,520.90	886.40	3,035.00	8,292.52

California Society of Municipal Finance Officers

Check Detail

September 2019

Num	Date	Name	Account	Paid Amount
	09/27/2019	Howard, Diane M	1005 · Bank of America	
YM300002562	09/26/2019		4110 · Dues - Municipal	(75.00)
				(75.00)
EFT	09/03/2019	Merchant Service	1005 · Bank of America	
			6155 · Merchant Fees/Bank Chgs.	(4.95)
				(4.95)
EFT	09/03/2019	Merchant Service	1005 · Bank of America	
			6155 · Merchant Fees/Bank Chgs.	(886.24)
				(886.24)
EFT	09/16/2019	Account Analysis Fee	1005 · Bank of America	
			6155 · Merchant Fees/Bank Chgs.	(84.28)
				(84.28)
6218	09/10/2019	Citrus Heights Water Distric	1005 · Bank of America	
	09/10/2019		6401.04 · Sacramento Valley	(626.35)
				(626.35)
6219	09/10/2019	Smith Moore and Associates	1005 · Bank of America	
20190402	09/01/2019		6143 · Management Services	(11,685.66)
			2003 · A/P Other- SMA Conference	(3,490.52)
			6195 · Web Site Hosting Fee	(659.62)
			1500 · CSMFO/SMA Database AR	(272.54)
				(16,108.34)
6220	09/10/2019	WFOA	1005 · Bank of America	
	09/10/2019		6111 · Presidents CSMFO- Gifts	(100.00)
				(100.00)
6221	09/24/2019	Award Force	1005 · Bank of America	
				0.00
6222	09/26/2019	Badawi & Associates	1005 · Bank of America	

California Society of Municipal Finance Officers

Check Detail

September 2019

	09/25/2019	6430 · Intro to Government	(10,495.94)
			<u>(10,495.94)</u>
6223	09/26/2019 Karla Romero {v}	1005 · Bank of America	
	09/25/2019	6401.18 · Coachella Valley	(530.51)
			<u>(530.51)</u>
6224	09/26/2019 Pacific Storage Company	1005 · Bank of America	
4183627	09/25/2019	6106 · Storage Expense	(97.07)
			<u>(97.07)</u>
6225	09/26/2019 Smith Moore and Associates	1005 · Bank of America	
20190444	08/27/2019	6175 · Postage	(12.65)
		6120 · Committee/Chapter Support	(23.70)
		6112 · Presidents CSMFO-Dinner	(51.00)
		6112 · Presidents CSMFO-Dinner	(50.00)
		6125 · Board Planning Session-Retreat	(6,000.00)
			<u>(6,137.35)</u>
6226	09/26/2019 Tortilla Jo's	1005 · Bank of America	
Event order 280081-1	09/23/2019	6125 · Board Planning Session-Retreat	(2,366.19)
			<u>(2,366.19)</u>
6227	09/26/2019 William C. Statler {v}	1005 · Bank of America	
	09/25/2019	6970 · One-Time Budgeted Expenses	(1,278.75)
			<u>(1,278.75)</u>



CSMFO BOARD REPORT

DATE: November 7, 2019

FROM: Margaret Moggia, Past President
CSMFO Ad Hoc Working Group

SUBJECT: Status report on Ad Hoc Recommendations

On October 8, 2019, the board approved a series of recommendations from the Ad Hoc Working Group that was tasked with reviewing the role and responsibilities of the subcontracted executive director.

Recommendation	Status
1. That the Board approves Amendment #6 for subcontracting the role of Executive Director and direct SMA to hire Melissa M. Manchester, LLC to serve in this capacity.	Completed. Agreement amendments were approved by the Board on October 15, 2019 and executed by the CSMFO President.
2. That the Board approves Justin Lewis as the Chief Information Officer and Catherine Smith to serve as the primary Account Manager with support from Justin Lewis, SMA Partner.	Completed on 10/8/19 by Board action.
3. That the Board direct the Administration Committee to review CSMFO's insurance policy to ensure that we have appropriate <i>Directors & Officers</i> for its Board members, and that SMA and subcontractors have named CSMFO as additionally insured.	Review is in progress. The Administrative Committee will ensure that all future contractors have CSMFO named as additionally insured
4. Direct the Executive Director to include a monthly disbursement listing with the monthly financial statements included in the Board packet.	Completed. September Financial statements include monthly report.

5. That the Board direct the Administration Committee to develop a policy for inclusion in the Policy and Procedures Manual that documents the process for check disbursements and authorized person on bank signature cards.	In progress.
6. That the Board approves all contracts entered into for the association. Should there be an immediate action required for contract execution, the Board approves the Executive Committee shall be given the authority to approve and subsequently bring the contract to the next regular Board meeting stating the reason for the urgency and for ratification. The Executive Director may sign the agreements after Board approval. Should the Executive Director be unavailable to sign, the signature authority is given to the CSMFO President.	As needed and until new policy is in place.
7. That the Board direct the Administration Committee to document for inclusion in the Policy and Procedures Manual a more developed policy for contract approval authority.	In progress.
8. That the Board elects a Board member to serve as the Secretary-Treasurer, and approves Melissa Manchester as the Deputy Secretary-Treasurer for the duration of the agreement or as long as she continues as the subcontracted Executive Director.	Board to act on November 7. Deputy appointment included within Amendment. #6
9. That the Board directs the Administration Committee to develop an Investment Policy for inclusion in the Policy and Procedures Manual.	In progress.

The Ad Hoc working group also had some long-term objectives and would like the Board's direction on how to address the following items:

1. Review contract scope with current needs
2. Update policies and procedures based on change in roles/scope (in progress).
3. Analyze and provide recommendation to the board for contract management services (contract expires December 31, 2021).

Recommendation:

That the Board of Directors provide direction on the long-term objectives of the Ad Hoc working group specifically what role the committee plays on the long-term objectives with other committees and how the members of the committee may change as roles change in 2020.



Code of Ethics

<i>GOVERNMENT NAME GOES HERE</i>	<i>GOVERNMENT LOGO GOES HERE</i>
<i>STATE ASSOCIATION CHAPTER NAME GOES HERE</i>	<i>STATE ASSOCIATION CHAPTER LOGO GOES HERE</i>

We, the government finance officers of the United States and Canada, have a deep and abiding desire to show that we are worthy of the trust that the communities we serve have placed in us. As a member of my government’s finance office, I commit to living the following values to show that I am worthy of that trust.

INTEGRITY AND HONESTY

Integrity and honesty are the foundation on which trustworthiness is built. It means people can believe what I say, I act in accordance with my deepest values, I put principle ahead of my own ego, and I do the right thing even when it is hard.

PRODUCING RESULTS FOR MY COMMUNITY

Public finance offices have an important job. Doing that job well honors the trust the public has placed in me.

TREATING PEOPLE FAIRLY

Local governments depend on trusting relationships. Therefore, I will treat people fairly and develop processes and procedures that are fair.

DIVERSITY AND INCLUSION

Embracing diversity and fostering inclusiveness helps finance offices cultivate organizations and promote policies that reflect the communities they serve. When people feel included, they will see that I am concerned for their wellbeing, and that shows I am worthy of their trust.

LIABILITY AND CONSISTENCY

When I consistently apply my standards – especially to myself – I honor my commitment to the community I serve and make it easier to do the right thing even when faced with challenging circumstances.

[INSERT GOVERNMENT NAME]'s Policy on Proper Recording of Staff Time

I commit to join with my co-workers at [insert government name] in following our policy on proper recording of staff time.

X _____

Why do we have this policy?

Staff salaries and benefits make up the largest part of [insert government name]'s budget and is over [insert percentage]% of our total costs. We must properly account for this large and expensive resource. This is no different from the equipment, vehicles, and facilities that we spend money on. This helps us build trust with the community we serve.

What is our policy?

Staff must make their best effort to record their work time accurately. Recording time in a way that makes it appear you are working when you are not is considered theft.

What else do I need to know?

[insert government name] recognizes that breaks and minor diversions from work are important for employee health and a productive work environment. This policy is not meant to prohibit these activities. If you have questions about what is allowed, you can check with your department's management or our human resources department.

There are other activities that are considered theft and not allowed by this policy. Examples include:

- Recording time as worked when you did not work.
- Manipulating time records to increase overtime hours.
- Improperly recording paid time off, like recording vacation time as sick time.
- Using sick time to take paid time off when you are not sick. [insert government name] urges employees to take care of their personal health, but sick days should not be used to take unscheduled days off for recreation. [NOTE: IF YOUR GOVERNMENT'S PAID TIME OFF POLICIES MAKE THIS PROVISION INAPPLICABLE, THEN REMOVE IT.]

When we are at work, we must be professional and represent [insert government name] well. This means we need to use break time appropriately. We must be aware of how often and how long we take breaks and what we do during our breaks. For example, if someone were to take a nap in his or her workplace, it would not project a good image. You can check with your department's management about what is acceptable. Also, you can use the chart and the end of this policy to help you think through questions you may have.

[insert government name] maintains financial records to help us figure the cost of providing services to the public. This helps us make sure we are giving our citizens a good value for their taxes. Therefore, we must all make the effort to record our time correctly, including using the right budget accounts for the activities we are working on. [insert government name] understands that we might not always be totally

precise in recording our time, but we should always do our best to make reasonable and fair estimates and to charge the right accounts. Inaccurate charging on a consistent basis or giving unreasonable estimates is considered a violation of this policy.

What reasons and rationalizations do I need to watch out for?

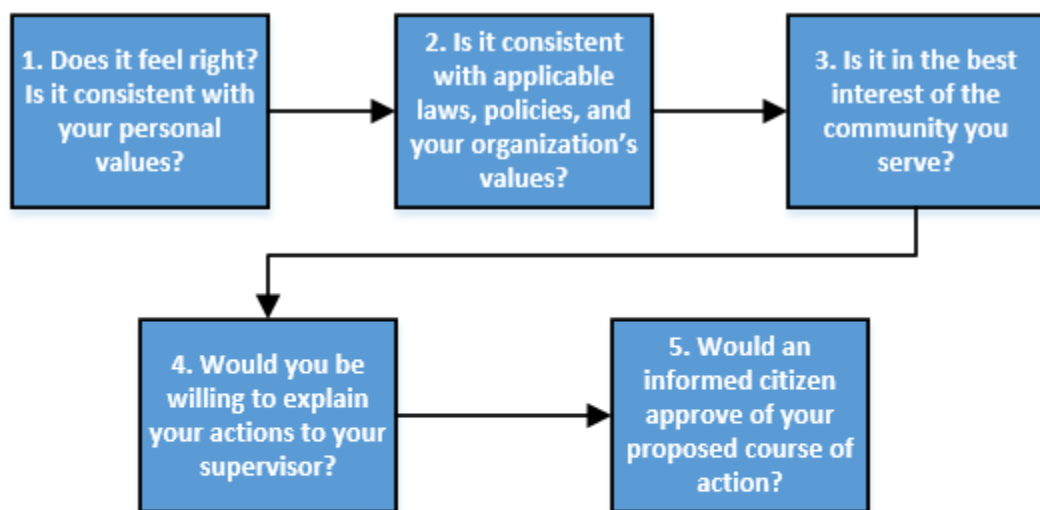
You might hear some reasons why it would be OK to ignore this policy. It is not OK. Here are some reasons you might hear and examples of a right response.

- **Reason:** Everyone does it, so it is OK.
- **A right response:** I don't think that is true. Employee salaries are our biggest single expense. If everyone were doing it, it would be obvious to everyone, including the public and the media.
- **Reason:** It is only a small amount of time to falsify—for example, misrepresenting one day off for personal “recreation” as sick time. Therefore, it is not significant.
- **A right response:** Things like this often start small but then grow into big problems later. Let's not go down that path. Most people record their time truthfully and would look down on us if we didn't. We don't want the reputation of people who fudge their time records.
- **Reason:** It is not a good thing to falsify time records, but it is not as bad as stealing equipment or supplies. Therefore, falsifying time is not something to be too concerned about.
- **A right response:** Well, if you are saying that falsifying time records is “the lesser of two evils,” then it is still evil. Let's not be evil!
- **Reason:** I deserve this. I don't get paid enough and/or I work harder than everyone else, so falsifying time to get extra compensation is OK.
- **A right response:** If you feel you are underpaid for your work, you have other options besides falsifying your time records. That could get you fired...or worse. Perhaps you should talk to your department management or our human resource department to learn what options you might have to improve your pay?
- **Reason:** I know it is wrong, but some people in my department falsify time records, and I don't want to make waves by being different.
- **A right response:** Well, the problem is that people who commit time fraud rarely do so in total secrecy. People who don't falsify their records often have suspicions about people who do. Therefore, if you falsify your records, you could get a reputation of being untrustworthy and limit your chances to advance your career. You do not want the reputation as someone who participates in dishonest time recording.

Think about your responses so that you are ready if someone gives you a reason to ignore the policy.

What if I'm in a situation that this policy doesn't cover?

Think about the situation. Compare the action you are unsure about to the steps below.



If **"Yes"** to all, then you are likely OK to proceed.

If you are **not sure**, seek guidance from others.

If there are all **"No's"**, don't do it. Think about how you might reply to reasons and rationalizations you might hear for why you should do it.

[INSERT GOVERNMENT NAME]'s Policy on Vendor Relations and Gifts

I commit to join with my colleagues at [insert government name] in following our policy on vendor relations and gifts.

X _____

Why do we have this policy?

Our relationship with the vendors that serve [insert government name] is a high-profile opportunity to show our citizens that we protect their tax dollars. We can show that we use public funds wisely and the decisions we make about purchasing goods and services are fair and free of bias.

What is our policy?

You should never accept the following from vendors:

- Any gift of cash or that is like cash. For example, a prepaid debit card is like cash.
- An individual gift valued at more than \$[insert dollar amount]. This is any kind of gift, including but not limited to meals, tickets to concerts, games, etc.
- Gifts from one vendor with a total value of more than \$[insert dollar amount] in a year. Many small gifts are just as bad as one large gift.

What else do I need to know?

We must avoid special treatment of one vendor over another. Therefore, all officials and staff of [insert government name] should treat all vendors the same.

Even the appearance of dishonesty or unfairness can tarnish our reputation. If you are involved in buying goods or services, your personal reputation could be harmed if people suspect that the process of buying them is unfair or “rigged.” Here are ways you can avoid harming your own reputation or the reputation of [insert government name].

- You should never accept an anonymous gift in any amount. If you don’t know who sent it, you don’t know what their motives are.
- You should never ask for gifts or favors from any vendor.
- Gifts might be disguised as an “award” or recognition for your public service. This is still a gift and should be treated like one.
- Gifts might be given as a “prize,” like as part of a raffle. This is still a gift.
- You might be in a questionable situation that is not covered by this policy. Refer to the chart at the end of this policy for help.

What reasons and rationalizations do I need to watch out for?

You might hear some reasons why it would be OK to ignore this policy. It is not OK. Here are some reasons you might hear and examples of a right response.

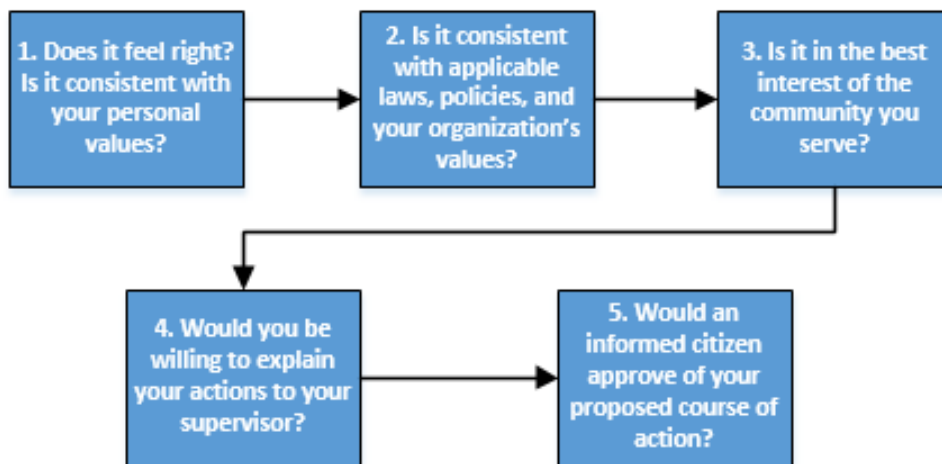
- **Reason:** It’s really OK that you take gifts. Everyone does it. It is even expected.

- **A right response:** We do business with many vendors each year. The vast majority never give gifts to officials or staff, so if I were to accept a gift from one vendor, it could appear that we unfairly favor that vendor.
- **Reason:** It's a small gift. It won't hurt anyone.
- **A right response:** While I appreciate the gesture of the gift, even the appearance of unfairness could harm our reputation. For example, if a citizen were to see this gift, he or she might assume it is a sign of larger conflicts of interest.
- **Reason:** I don't decide whom we buy from, so it is OK for me to accept a gift.
- **A right response:** Citizens don't know who decides, so if one of us gives the appearance of unfairness, it makes us all look bad. Also, maybe someday you *will* be in a position to decide whom to buy from. You wouldn't want to risk your reputation over a vendor's gift.
- **Reason:** I know I shouldn't take this gift, but I don't want to make a fuss and make waves in my department.
- **A right response:** That is a difficult problem. In the end, your department will be much better off if it keeps a reputation for fairness when buying goods and services.

Think about your responses so that you are ready if someone gives you a reason to ignore the policy.

What if I'm in a situation that this policy doesn't cover?

Think about the situation. Compare the action you are unsure about to the steps below.



If "Yes" to all, then you are likely OK to proceed

If you are **not sure**, seek guidance from others

If there are many "No's", don't do it. Think about how you might reply to reasons and rationalizations you might hear for why you should do it.

I'm unable to make changes to the copy above because it's an image. The word "the" should be the word "then" in the first line, periods are missing, etc. Also, per my previous comment, I wonder if the word "rationalizations" would be considered redundant. Is the word "reasons" enough? Please see my suggestion below.

If your answer is "yes" to all, then you are likely OK to proceed.

If you are "not sure," seek guidance from others.

If you have several "no" answers, don't do it. Think about how you might reply to the reasons you might hear for why you should do it.

[INSERT GOVERNMENT NAME]'s Policy on Making Gifts With [Insert Government Name]'s Public Funds

I commit to join my colleagues at [insert government name] in following our policy on making gifts with [insert government name]'s public funds.

X _____

Why do we have this policy?

Our funding comes mostly through taxes. Citizens must be able to trust that their taxes will be used for the good of the community. Taxpayer money should not be used to unfairly benefit private groups or persons or be redirected from the critical public services that taxpayers expect.

What is our policy?

The elected officials and staff of [insert government name] should not use [insert government name]'s resources to make charitable donations or gifts to other parties. This includes anything paid for with taxpayer money such as equipment, vehicles, supplies, staff time, and buildings.

What else do I need to know?

A donation or a gift is any offer of our resources to another party where [insert government name] does not receive any good or service in exchange for the resources given. Even if the other party will make a “moral” or “socially beneficial” use of the resources, it is still considered a gift.

However, [insert government name] may award grants to private or nonprofit groups. Grants are not viewed as a gift or charitable donation because there is a process used to decide how they are awarded. In cases where the federal or [state/provincial] government provides funding to [insert government name] for local grants, there are rules for how the funds must be used. Also, [insert name of governing board] must approve the grants.

[Note: If your government allows elected officials a choice to give gifts, you could note that in the policy here. Also state that the ability to give these gifts is limited to funds set aside for that purpose in the adopted budget and are subject to reporting requirements. You can also refer to any other policies you have that address gifts by elected officials more specifically.]

Waiving taxes or fees that are normally charged for a service we provide is viewed as a gift.

Employees should never feel pressured to donate funds to any cause. Members of [insert government name] in a supervisory or decision-making position should never ask for donations from staff.

Use of staff time for political purposes, such as campaigning, is not allowed.

Staff time should not be used to conduct charitable activities for other groups.

What reasons and rationalizations do I need to watch out for?

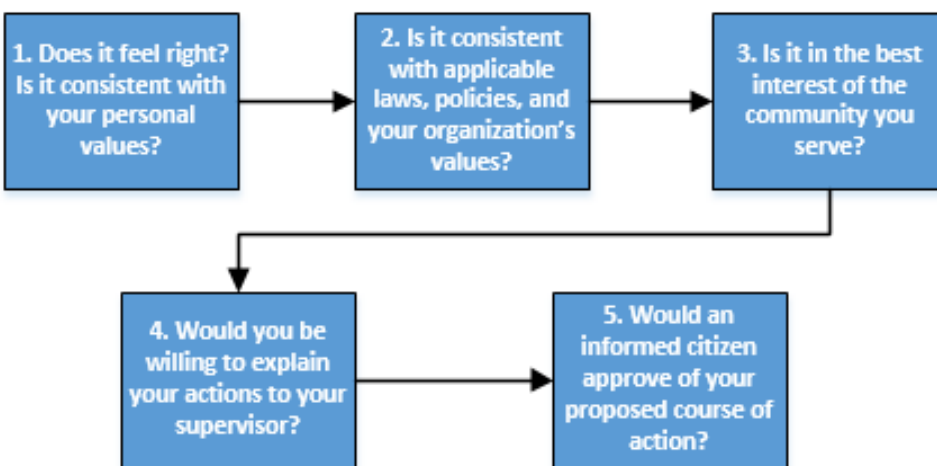
You might hear some reasons why it would be OK to ignore this policy. It is not OK. Here are some reasons you might hear and examples of a right response.

- **Reason:** It's a small gift, so it is not a big deal.
- **Right response:** I know it might not seem like much, but small things can be the start of big problems later. Let's not go down that path.
- **Reason:** It's a nice group that we are giving a gift to, so it is OK.
- **Right response:** Yes, they are a nice group; however, we only have so much money in our budget. The community expects us to use that money to provide important public services. I think we should stay focused on the critical work that we do.
- **Reason:** I know I shouldn't make this gift (like spending work time doing the job of another group), but my boss wants me to.
- **Right response:** Your boss is violating our policy if he or she says you should make a gift of your professional (or personal) resources to another organization. If you make this gift, you both could be in trouble...and resources you spend on this other activity are resources not spent providing the services our community expects from you.

Think about your responses so that you are ready if someone gives you a reason to ignore the policy.

What if I'm in a situation that this policy doesn't cover?

Think about the situation. Compare the action you are unsure about to the steps below.



If "Yes" to all, then you are likely OK to proceed

If you are **not sure**, seek guidance from others

If there are many "No's", don't do it. Think about how you might reply to reasons and rationalizations you might hear for why you should do it.

Introducing GFOA's Smart Practices for Ethics Policies: Templates for Everyday Ethical Challenges

When we think of ethics in the finance office, our minds might jump to high-profile fraud, malfeasance, or mismanagement. The everyday ethical issues the finance office deals with, like vendor gifts or how employees record time, might seem small in comparison. These everyday issues are important, though. Consider the following:

1. How these issues are handled sets the tone for ethical behavior in your local government.
2. People who commit large ethical violations usually start with small ones.
3. These everyday issues come up far more often than higher-profile problems. Taken together, their impact could be significant.

To help government finance offices provide more responses to everyday ethical concerns, GFOA developed policy templates for three areas of common concern:

- Proper recording of staff time
- Vendor relations and gifts
- Making gifts with public funds

The templates are available at www.gfoa.org/ethics, free of charge. The policies were designed using findings from psychological research that suggested how we could optimize their effectiveness. In this article, we will review the design features of these policy templates. This will help you make the best use of the templates and help you develop your own policies for other topics.

Sign Up Front

It is not uncommon for ethics policies to ask people to sign the policy *at the end* of the document. This serves as a signal of their commitment to abide by it. Research shows that this does have benefits. One experiment showed a 20% reduction in cheating by asking people to sign a form at the end versus not signing it at all. However, asking people to sign *at the beginning* of the document could be more powerful. This activates people's sense of honesty and care *before* reading the policy. And the same experiment showed a 50% reduction in cheating when people were asked to sign at the beginning versus not signing at all!¹

Emphasize That Everyone is Doing It

Humans are social creatures and will seek to fit in with colleagues. Often, this conformist behavior is subtle and not obvious even to the person engaging in it. For example, a person's weight is often closely correlated with friends and family because our eating habits are shaped by them. For example, if you all go out to dinner, you are more likely to order dessert if everyone else does too. The power of conformity is at the root of one of the all-time great rationalizations for unethical behavior: "Everyone does it."² A local government ethics policy can turn the tables by putting the power of conformity to

¹ Shu L, Mazar L, Gino F, Ariely D, Bazerman M (2012) Signing at the beginning makes ethics salient and decreases dishonest self-reports in comparison to signing at the end; Proceedings of the National Academy of Sciences (PNAS); Issue: 109 (38); 2012.

² Martin T. Biegelman. Faces of Fraud: Cases and Lessons from a Life Fighting Fraudsters. Wiley. 2013.

work in favor of ethical behavior. This can be done by pointing out how common ethical behavior is.³ Our template's signature block invites the reader to join the crowd and commit to the ethics policy. Finance officers can think of other ways to emphasize that committing to the policy is the popular thing to do. For example, perhaps rather than having individuals read and sign the policy in private, perhaps everyone reads and signs the policy in a meeting, at the same time.

I commit to join with my colleagues at the [insert government name] in following our policy on vendor relations and gifts: X_____.

Write the Policy in a Conversational Tone

Ethics policies are often written in a highly formalized language. This can make the policy more difficult for people to relate to. A more conversational tone, where the reader is addressed as “you” and the local government referred to as “we,” can make it easier for the reader to engage with the policy.⁴

Ask and Answer Questions

Policies typically tell people the way things are or ought to be. However, the audience first needs to realize that they need to know what the policy has to tell them. By posing a series of questions in the policy document, we highlight gaps in the audience's knowledge. The audience then feels compelled to fill those gaps by reading the policy to see what the answers are.⁵ In the GFOA template, we pose the following questions, which serve as the major headers for each section of the document.

- *Why do we have this policy?*
- *What is our policy?*
- *What else do I need to know?*
- *What reasons and rationalizations do I need to watch out for?*
- *What if I'm in a situation that this policy doesn't cover?*

Start With “Why”

The traditional ethics policy is often organized around *what* activities the policy prohibits. The implication is usually that if someone violates the policy, they will be punished. Certainly, sanctions should be applied to ethical cheaters, but this approach misses out on a more powerful source of ethical leadership. Dwight D. Eisenhower said, “Leadership is the art of getting someone else to do something you want done because he wants to do it.” This more inspirational mode of leadership doesn't start with *what* you want done but *why* it should be done.⁶ The reason “why” engages people's higher-order motivations, helping them to see the connection to a larger purpose.

Each GFOA template begins with a short section about why the policy exists. Below is an illustration from the template on the proper recording of staff time:

³ <https://www.ethicalsystems.org/content/contextual-influences>

⁴ Steven Pinker. *The Sense of Style: The Thinking Person's Guide to Writing in the 21st Century*. Penguin Books. 2015. Pinker, a cognitive psychologist, stresses the importance of a conversational tone in writing.

⁵ See Chip Heath and Dan Heath. *Made to Stick: Why Some Ideas Survive and Others Die*. Random House. 2007. The authors cite research by behavioral economist George Loewenstein.

⁶ Taken from Simon Sinek: *Start With Why: How Great Leaders Inspire Everyone to Take Action*. Penguin Group. 2009.

Staff salaries and benefits make up the largest part of [insert government name]'s budget and is over [insert percentage]% of our total costs. We must properly account for this large and expensive resource. This is no different from the equipment, vehicles, and facilities that we spend money on. This helps us build trust with the community we serve.

Keep the Core Policy Simple

Even the most cleverly designed ethics policy will not become the center of its audience's universe. Staff and elected officials will have other concerns top of mind. Therefore, the policy itself should be boiled down to its essential elements. If the policy can be short and to the point, there is a better chance people will remember it.⁷ To illustrate, here is the policy from our "vendor relations and gifts template."

What is our policy?

- *You should never accept the following from vendors:*
- *Any gift of cash or that is like cash. For example, a prepaid debit card is like cash.*
- *An individual gift valued at more than \$[insert dollar amount]. This is any kind of gift, including but not limited to meals, tickets to concerts, games, etc.*
- *Gifts from one vendor with a total value of more than \$[insert dollar amount] in a year. Many small gifts are just as bad as one large gift.*

There could be other important points to cover in a policy on vendor relations and gifts. The template includes a section titled "What else do I need to know?" where other points can be addressed. For instance, GFOA's policy template on vendor relations and gifts warns against anonymous gifts, soliciting gifts, and accepting "awards" or "prizes" from vendors.

Keep the Language Simple

The average American reads at a seventh to eighth grade level. Hence, a policy written at about this level will be widely understood.⁸ Microsoft Word can score the readability of your document using two common measures: Kincaid Grade Level test and the Flesch Reading Ease test.⁹ Each test is based on the average number of syllables per word and the number of words per sentence.¹⁰

Help People Combat Reasons and Rationalizations

The Association of Certified Fraud Examiners uses the "Fraud Triangle" to explain people's propensity to commit fraud. The three sides of the triangle are the financial pressures people face in their personal lives, the opportunity they have to commit fraud, and the rationalizations they can come up with to justify their actions. An ethics policy can't do much to impact financial pressures or opportunity. The

⁷ Chip Heath and Dan Heath. *Made to Stick: Why Some Ideas Survive and Others Die*. Random House. 2007. Note that the authors don't suggest that shorter is necessarily better. Substance is important too.

⁸ Using text readability formulas, it has been shown that the average reading level is anywhere from seventh to eighth grade, indicating that a sixth grade level would likely be widely accessible to U.S. adults. See <http://www.clearlanguagegroup.com/readability/>

⁹ To use this feature on a Windows computer, go to *File > Options*; select *Proofing*; under *When correcting spelling and grammar in Word*, make sure the *Check grammar with spelling* checkbox is selected; select *Show readability statistics*. The readability statistics will be displayed when you do a spelling and grammar review.

¹⁰ Some critics contend that the Microsoft Word scoring mechanism is not as accurate as other, more specialized tools. However, we deemed it adequate for our purposes.

former is primarily a function of personal circumstances and the latter requires good internal control design. A policy can address the reasons and rationalizations to justify violating a policy.

As we described earlier, humans are social creatures who tend to conform to their social group. That means if people face social pressure to go along with something they know is wrong, they will often go along with it—especially if some reason or rationalization is offered that gives them an excuse to do it. Mary Gentile, the originator of the acclaimed Giving Voice to Values ethical training program, tells us that the No. 1 challenge to ethical behavior is not the knowledge of what is right and wrong. Most people already know that.¹¹ Rather, the challenge is how to do the right thing despite pressure to do otherwise. Giving Voice to Values emphasizes anticipating the reasons and rationalizations for acting unethically and preparing your response ahead of time. An ethics policy can help by identifying common reasons people might give to ignore the policy and suggesting a good response. Here a couple of examples from the template for proper recording of staff time:

- **Reason:** It is only a small amount of time to falsify—for example, misrepresenting one day off for personal “recreation” as sick time. Therefore, it is not significant.
- **A right response:** Things like this often start small but then grow into big problems later. Let’s not go down that path. Most people record their time truthfully and would look down on us if we didn’t. We don’t want the reputation of people who fudge their time records.
- **Reason:** I deserve this. I don’t get paid enough and/or I work harder than everyone else, so falsifying time to get extra compensation is OK.
- **A right response:** If you feel you are underpaid for your work, you have other options besides falsifying your time records. That could get you fired...or worse. Perhaps you should talk to your department management or our human resource department to learn what options you might have to improve your pay.

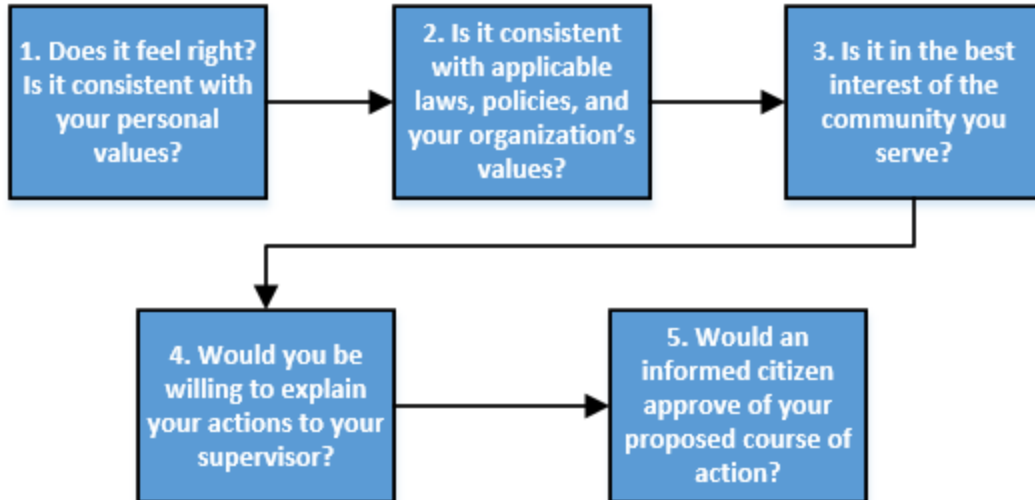
Help People Navigate Situations the Policy Doesn’t Cover

No policy can cover every situation. The traditional approach has been to counsel the reader to seek guidance from a supervisor or, perhaps, a human resources department or some other central authority. There are a couple of problems with this approach:

- In some cases, a supervisor might not offer sound guidance or might even be part of the problem.
- The ethical challenges people run into often occur with little or no warning and require a response soon. It might not be practical to consult with an HR department or other central authority in the time available.

Hence, an ethics policy can provide a series of simple rules that people can use to judge a situation and determine if a proposed course of action is acceptable. The GFOA ethics template provides the following flowchart to help people think through challenging situations.

¹¹ <https://www.darden.virginia.edu/ibis/initiatives/gvv>



If “**Yes**” to all, then you are likely OK to proceed.

If you are **not sure**, seek input from others.

If there are many “**No’s**”, don’t do it. Think about how you might reply to reasons and rationalizations you might hear for why you should do it.

Summary

GFOA’s ethics policies templates are designed to provide guidance for everyday ethical challenges, using findings from psychological research to make them as effective as possible. The design features described in this article can be applied to any topic, not just those covered by GFOA’s templates.

The Change That Could Shift Public Opinion on Taxes

We've been wary of taxation since the Boston Tea Party. New finance ethics rules will help.

BY: [Justin Marlowe](#) | August 2019

Many Americans think “trust in government” is an oxymoron. Indeed, distrust of government is one of our founding principles. The original 13 colonies had little in common, but they shared a deep and mutual wariness of the British crown. This is especially true of taxing and spending. The Sons of Liberty expressed their displeasure with King George’s fiscal policies not by filing a complaint, but by dumping a few hundred crates of tea -- and lots of uncollected tax dollars -- into the Boston Harbor.

Despite that historical skepticism, trust in government is a worthwhile and attainable goal. Citizens need to trust that their government will act in their best interest. For the most part, they believe states and localities do. According to a Gallup poll, in 2018 about 70 percent of Americans said they trusted their local government. That number hasn’t changed much since the 1970s. Trust in state government has dipped a bit but still hovers around 60 percent. That’s quite a contrast to Congress and the president, whose trustworthiness continued a downward trend in 2018 at 40 percent and 42 percent, respectively.

Social scientists don’t agree on what makes states and localities so much more trustworthy. One theory is that mayors and governors understand that if people believe their government treats them fairly and acts with integrity, then they’ll trust it. In fact, they’ll trust it even if they don’t agree with everything it does.

This understanding seems to be at the heart of the Government Finance Officers Association’s (GFOA) recent sweeping overhaul of its Code of Ethics. Codes of ethics tend to be checklists of professional do’s and don’ts. GFOA’s was no different. It prescribed that state and local finance professionals should follow the law, avoid conflicts of interest and so forth. While useful, it left a key question unanswered: Where’s the feedback? It’s clear what happens when finance officials act unethically. But what happens when they act ethically?

GFOA’s new Code of Ethics answers this question directly. It’s organized around the simple idea that the No. 1 job of state and local government finance professionals is to earn and maintain citizens’ trust. The code’s preamble says, “Trust is an asset as important as any that can be found on our balance sheets,” and that state and local finance officials “have a deep and abiding desire” to show they’re worthy of citizens’ trust. Those are powerful words from people who take enormous pride in their balance sheets.

Beyond that bold statement of values, the new code is really a practical road map for how finance professionals can work to build and maintain trust. It’s what our friends in program evaluation would call a “theory of change.” It encourages GFOA members to take simple steps like developing policies and procedures to make sure that financial operations are as transparent as possible. It also speaks to personal conduct, such as doing the best work possible to show citizens value for their tax dollars. Some of its suggestions are quite aspirational, like making certain that budget debates include all the affected stakeholders. It follows that when government finance officers work transparently, work hard and work to include as many voices as possible in key decisions - an essential point in our rapidly diversifying communities -- then citizens are more likely to see their public finance officials as worthy of their trust.

By reimagining ethics this way, GFOA has done two remarkable things. First, it’s offered practical advice to its members on how to navigate an increasingly tenuous and hostile civic space. Second, and perhaps more important, it’s articulated the real value proposition of public finance. Good public financial management is essential to trust in government. That’s an investment we can and should support.

This article was printed from: <https://www.governing.com/columns/public-money/gov-tax-collection.html>



CSMFO BOARD REPORT

DATE: November 7, 2019

FROM: Rich Lee, CSMFO Board Member | GFOA Ethics Committee member

SUBJECT: GFOA Code of Ethics and Ethics Policies

Background: At the Government Finance Officers Association's (GFOA) annual conference in 2019, the GFOA board adopted a new Code of Ethics (Code), included as Attachment 1. The new Code reflects the work of the GFOA Ethics Task Force, which included CSMFO Past President, Margaret Moggia.

GFOA subsequently convened an Ethics Committee (Committee) to provide guidance on the Code and the programs to support it, which Rich Lee was appointed to serve on in August 2019. GFOA has requested that the respective state/regional professional organizations adopt the Code to foster higher adoption and visibility. To date, New York, Virginia, Ohio, Colorado, and the Great Plains (Nebraska and Iowa) GFOAs have adopted the Code. British Columbia, Alberta, Oklahoma, North Carolina, and South Carolina have adoption of the Code on their respective agendas for board consideration. Oregon, Ontario, and Illinois are currently considering the Code for potential adoption.

The Committee has also reviewed three ethics policies governing proper recording of staff time, vendor relations and gifts, and making gifts with public funds, included for reference via Attachments 2 – 4, which are also before the board for consideration, discussion, and adoption.

GFOA provided an excellent introduction to the new Code of Ethics and ethics policies, provided for the board's information via Attachment 5. In addition, Governing Magazine published an article in August 2019, included as Attachment 6, that discusses GFOA's new Code of Ethics. Both discuss the introduction and article discuss the contrast between the old Code and new Code. The old Code prescribed what to do and what not to do. The new Code:

- Focuses on building trust;
- Articulates why the policy is important;
- Is based on psychological research on what works;
- Written to make the core policy guidance as simple as possible; and

- Recognizes real world complexities.

Shayne Kavanagh, senior manager for research in GFOA's Research and Consulting Center, will be on hand during the board meeting to provide some additional comments for the board's information.

Recommendation: That the CSMFO Board adopt the GFOA Code of Ethics and ethics policies governing proper recording of staff time, vendor relations and gifts, and making gifts with public funds.

Attachments

- 1. GFOA Code of Ethics**
- 2. GFOA Proper Recording of Staff Time Policy**
- 3. GFOA Vendor Relations and Gifts Policy**
- 4. GFOA Making Gifts with Public Funds Policy**
- 5. Introducing GFOA's Smart Practices for Ethics Policies**
- 6. Governing Magazine Article**



CSMFO BOARD REPORT

DATE: November 7, 2019

FROM: Margaret Moggia, Past President
CSMFO Ad Hoc

SUBJECT: Appointment of Secretary-Treasurer

On October 8, 2019, the board approved a series of recommendations from the Ad Hoc Working Group that was tasked with reviewing the role and responsibilities of the subcontracted executive director. Based on the working group's review of the Bylaws, there was a recommendation to appoint a board member as the Secretary-Treasurer; however, no specific action was taken at the time to make such appointment.

Bylaws: Section B Officers

The officers of this organization shall consist of a president who shall automatically assume the office after serving one year as president-elect, a president-elect who shall be elected annually at large, the immediate past president, and a secretary-treasurer who shall be elected by the board of directors from its own membership. The board of directors, by majority vote, may employ an administrative secretary in lieu of the election of a secretary-treasurer, such person to serve at the pleasure of the board and to perform all duties that are assigned to the secretary-treasurer elsewhere herein.

The working group has identified several options for consideration and recommend that the option selected be consistently applied in future years. The working group also recommends that the board decision on this matter be documented in CSMFO's Policy and Procedures Manual.

The Policy and Procedures Manual also states the appointment of the Secretary-Treasurer shall be made annually. To build on the effectiveness of the Secretary-Treasurer role, should an appointment be for a different term or should an annual appointment be made to increase the awareness of the role amongst all the board

members? Depending on the option selected, the board may want to consider if the annual appointment may need to be modified within the Policy and Procedures Manual.

Option 1: Appoint any board member

Consideration: This option allows any board member to serve in this capacity and provides each board member the opportunity to potentially serve in the role expanding their experience beyond their committee liaison assignment. However, this option may result in a new person each year.

Option 2: Appoint the board liaison to the Administration Committee

Consideration: This option allows a board member familiar with administrative duties of CSMFO be appointed. However, as the President-Elect appoints a board liaison each year this option may result in a new person each year.

Option 3: Appoint the Past President

Consideration: This option allows a board member familiar with administrative duties of CSMFO be appointed as they are already reviewing financials and are part of the Executive Committee. This option results in a new person each year. Also, there is no mention in the bylaws that allows an individual to serve in dual officer roles?

Option 4: Appoint a new incoming board member

Consideration: Similar to Option 1; however, this individual is not familiar with board duties and responsibilities and may need some additional onboarding. This option allows the individual to assume the role in year 1 and be considered for two additional years upon Board approval to build upon their role.

Recommendation:

That the Board of Directors of CSMFO:

1. Direct the Administration Committee to develop and document policies and procedures for the option selected by the board for appointment of Secretary-Treasurer; and
2. Upon seating of the new Board at the 2020 annual conference, appoint a Secretary-Treasurer. Until such time, appoint an interim Secretary-Treasurer that will serve through January 27, 2020.



CSMFO BOARD REPORT

DATE: November 7, 2019

FROM: John Adams, 2016 Past President
Margaret Moggia, 2018 Past President

SUBJECT: Past-President Advisory Council

As part of the Strategic Planning Session in 2017, one of the Goals identified for Strategic Growth as part of the Plan was to “Engage Past Presidents”. The Action Plan & Deliverable was the Establishment of a Past Presidents Advisory Council, better known as the PPAC. Over the past two years, there has been lots of discussion with past presidents on the role that the PPAC would play for CSMFO in order to engage past presidents and retain their involvement and guidance. Part of the consideration of the establishment of the Past-President Advisory Council is that by creating a space for them to remain actively involved, it creates leadership opportunities for new leaders to assume the role of chair or vice chair at the committee or chapter level, especially since many past presidents are still actively involved.

An inquiry was sent to active Past Presidents to engage them on the value, purpose, and scope of what the PPAC could represent. Many of them commented that they welcome the opportunity of continuing to be engaged in CSMFO, and be a strategic voice to CSMFO Leadership, support committees and chapters, and be a general resource or ambassador for the organization. Also, it was commented that should the PPAC be pursued, the desire was to include Past Presidents that have continued to be active in the government finance field in the PPAC. In addition, the Past Presidents provided input on ways to support CSMFO:

Suggested ideas for Past-President Advisory Council (PPAC):

1. Serve as a Senior Advisor to a Standing Committee.
2. Make Distinguished Service Award recommendations to the President Elect.
3. Offer speaker suggestions for Career Development Committee and Program Committee for their consideration.
4. Become part of a speaker's bureau.
5. Engage with retirees.
6. Have Immediate Past President acts as liaison to out of state associations.
7. Support the local chapters through offering advice and attending meetings.
8. Share words of wisdom from our presidency and prepare for the next significant association milestone.
9. Advise the Board of Directors on matters affecting CSMFO (i.e. lobbying efforts).
10. Provide input and feedback on long term strategic endeavors or initiatives the organization might be considering.
11. Advise/strategize with finance managers about career issues.
12. Advise on candidates to be considered as CSMFO Heroes (new program similar to the new GFOA Heroes program).
13. Provide insight and history at strategic planning sessions and board meetings.
14. Be CSMFO Ambassadors, if properly leveraged. Imagine thank you letters signed by PPAC (10 signatures) for our top sponsors.
15. Advise on Presidents Dinner (Committee).
16. Be a resource for presenting CAFR/Budget Awards.
17. Be a resource for the Nomination Committee.
18. Serve as conference moderators.
19. Participate in Career Development programs as speakers or trainers
20. Develop roadmap for succession planning or path for future leaders

Some other considerations for the establishment of the PPAC is how the council should be structured (open to all or only active past presidents, who should chair), how often they should meet, what privileges do they have in regards to strategic planning session or board meetings, and what reporting responsibilities do they have back to the President and Board.

Recommendation:

That the Board provides direction if the Past-President Advisory Council should be pursued, and direct the PPAC working group to develop a final recommendation to the Board on the scope, the council structure (i.e. who should be participate and lead) and what is their responsibility.

SACRAMENTO CONVENTION CENTER

LICENSE AGREEMENT

Contract No: 193-20714

This License Agreement is entered into as of Wednesday, October 16, 2019 by the **City of Sacramento**, ("City", "SCC" or "Center"), and **California Society of Municipal Finance Officers Association (CSMFO)** ("Licensee").

WITNESSETH:

Whereas, City constructed the **Sacramento Convention Center** to be used by various groups and persons for conventions, trade shows, exhibitions, theatrical performances, concerts, sporting events and similar activities; and

Whereas, City desires to make the Convention Center available to users on a license basis;

Now, therefore, the parties agree as follows:

1. Center hereby grants to Licensee the right to use and occupy the areas of the Center described in **Exhibit A** (the "Facilities") for the period specified at the License rates set forth in **Exhibit A**.
2. Licensee shall use the Facilities for the purpose of 2023 CSMFO Annual Conference and for no other purpose without the prior written consent of the General Manager of the Center, or the General Manager's designee ("General Manager").
3. Licensee shall pay to Center a deposit at the time this license agreement is executed and any additional deposits specified in **Exhibit A**. **It is understood that cancellation of a contracted performance and/or event by Licensee will result in forfeiture of the deposit. THIS AGREEMENT SHALL BE CONSIDERED NULL AND VOID UNLESS IT IS SIGNED BY LICENSEE AND RETURNED WITH THE DEPOSIT (PER EXHIBIT A) TO THE CONVENTION CENTER OFFICE BY November 30, 2019 and subsequently executed by the General Manager.**
4. The terms and conditions set forth in **EXHIBITS A and B** are part of this license agreement.

Licensee: **California Society of Municipal Finance Officers
Association (CSMFO)**

CITY OF SACRAMENTO

Signed: _____

By: _____

Title: _____

SCC General Manager

Address: **700 R Street, Ste 200
Sacramento, CA 95811**

Please return signed contract and payment to:
Sacramento Convention Center
1515 J Street
Sacramento, CA 95814

Billing Contact:

Phone: **(916) 808-5291**

Signed: _____

Fax: **(916) 808-7687**

Title: _____

Checks payable to:

City of Sacramento

Address: **700 R Street, Ste 200**

Sacramento, CA 95811

EXHIBIT A

Contract 193-20714
Start-End 1/30/23 to 2/3/23
Billing Contact
Address 700 R Street, Ste 200
 Sacramento, CA 95811

2023 CSMFO Annual Conference

Bookings

Room	Description	Date	Time	Original Rate	Discount	Amount
Ballroom A1	Move In	1/30/23	7:00A - 11:59P	\$8,640.00	\$4,320.00	\$4,320.00
Ballroom A10	Move In	1/30/23	7:00A - 11:59P	\$740.00	\$370.00	\$370.00
Ballroom A11	Move In	1/30/23	7:00A - 11:59P	\$740.00	\$370.00	\$370.00
Ballroom A2	Move In	1/30/23	7:00A - 11:59P	\$740.00	\$370.00	\$370.00
Ballroom A3	Move In	1/30/23	7:00A - 11:59P	\$740.00	\$370.00	\$370.00
Ballroom A4	Move In	1/30/23	7:00A - 11:59P	\$740.00	\$370.00	\$370.00
Ballroom A5	Move In	1/30/23	7:00A - 11:59P	\$740.00	\$370.00	\$370.00
Ballroom A6	Move In	1/30/23	7:00A - 11:59P	\$740.00	\$370.00	\$370.00
Ballroom A7	Move In	1/30/23	7:00A - 11:59P	\$740.00	\$370.00	\$370.00
Ballroom A8	Move In	1/30/23	7:00A - 11:59P	\$740.00	\$370.00	\$370.00
Ballroom A9	Move In	1/30/23	7:00A - 11:59P	\$740.00	\$370.00	\$370.00
Hall A	Exhibit Hall Decorator Move-In	1/30/23	7:00A - 11:59P	\$8,735.00	\$8,735.00	\$0.00
Hall B+C	Move In	1/30/23	7:00A - 11:59P	\$15,500.00	\$7,750.00	\$7,750.00
Meeting Room 1	Move In	1/30/23	7:00A - 11:59P	\$1,160.00	\$580.00	\$580.00
Meeting Room 2	Move In	1/30/23	7:00A - 11:59P	\$760.00	\$380.00	\$380.00
Meeting Room 3	Move In	1/30/23	7:00A - 11:59P	\$760.00	\$380.00	\$380.00
Meeting Room 4	Move In	1/30/23	7:00A - 11:59P	\$700.00	\$700.00	\$0.00
West Lobby (Level 1)	Move In	1/30/23	7:00A - 11:59P	\$0.00	\$0.00	\$0.00
Hall B+C	General Session Set-Up	1/31/23	6:30A - 11:59P	\$15,500.00	\$7,750.00	\$7,750.00
Ballroom A1	Move In	1/31/23	7:00A - 11:59P	\$8,640.00	\$8,640.00	\$0.00
Ballroom A10	Move In	1/31/23	7:00A - 11:59P	\$740.00	\$740.00	\$0.00
Ballroom A11	Move In	1/31/23	7:00A - 11:59P	\$740.00	\$740.00	\$0.00
Ballroom A2	Move In	1/31/23	7:00A - 11:59P	\$740.00	\$740.00	\$0.00
Ballroom A3	Move In	1/31/23	7:00A - 11:59P	\$740.00	\$740.00	\$0.00
Ballroom A4	Move In	1/31/23	7:00A - 11:59P	\$740.00	\$740.00	\$0.00
Ballroom A5	Move In	1/31/23	7:00A - 11:59P	\$740.00	\$740.00	\$0.00
Ballroom A6	Move In	1/31/23	7:00A - 11:59P	\$740.00	\$740.00	\$0.00
Ballroom A7	Move In	1/31/23	7:00A - 11:59P	\$740.00	\$740.00	\$0.00
Ballroom A8	Move In	1/31/23	7:00A - 11:59P	\$740.00	\$740.00	\$0.00
Ballroom A9	Move In	1/31/23	7:00A - 11:59P	\$740.00	\$740.00	\$0.00

Hall A	Exhibit Hall Move-In	1/31/23	7:00A - 11:59P	\$8,735.00	\$0.00	\$8,735.00
Meeting Room 1	Move In	1/31/23	7:00A - 11:59P	\$1,160.00	\$1,160.00	\$0.00
Meeting Room 2	Move In	1/31/23	7:00A - 11:59P	\$760.00	\$760.00	\$0.00
Meeting Room 3	Move In	1/31/23	7:00A - 11:59P	\$760.00	\$760.00	\$0.00
Meeting Room 4	Office/Storage	1/31/23	7:00A - 11:59P	\$700.00	\$700.00	\$0.00
West Lobby (Level 1)	Registration	1/31/23	7:00A - 11:59P	\$0.00	\$0.00	\$0.00
Hall B+C	General Session	2/1/23	6:30A - 11:59P	\$15,500.00	\$7,750.00	\$7,750.00
Ballroom A1	Early Bird Session	2/1/23	7:00A - 5:00P	\$8,640.00	\$8,640.00	\$0.00
Ballroom A10	Breakouts	2/1/23	7:00A - 11:59P	\$740.00	\$740.00	\$0.00
Ballroom A11	Breakouts	2/1/23	7:00A - 11:59P	\$740.00	\$740.00	\$0.00
Ballroom A2	Breakouts	2/1/23	7:00A - 11:59P	\$740.00	\$740.00	\$0.00
Ballroom A3	Breakouts	2/1/23	7:00A - 11:59P	\$740.00	\$740.00	\$0.00
Ballroom A4	Misc Meeting Room	2/1/23	7:00A - 11:59P	\$740.00	\$740.00	\$0.00
Ballroom A5	Misc Meeting Room	2/1/23	7:00A - 11:59P	\$740.00	\$740.00	\$0.00
Ballroom A6	Misc Meeting Room	2/1/23	7:00A - 11:59P	\$740.00	\$740.00	\$0.00
Ballroom A7	Breakouts	2/1/23	7:00A - 11:59P	\$740.00	\$740.00	\$0.00
Ballroom A8	Breakouts	2/1/23	7:00A - 11:59P	\$740.00	\$740.00	\$0.00
Ballroom A9	Breakouts	2/1/23	7:00A - 11:59P	\$740.00	\$740.00	\$0.00
Hall A	Exhibit Hall	2/1/23	7:00A - 11:59P	\$8,735.00	\$0.00	\$8,735.00
Meeting Room 1	Breakouts	2/1/23	7:00A - 11:59P	\$1,160.00	\$1,160.00	\$0.00
Meeting Room 2	Breakouts	2/1/23	7:00A - 11:59P	\$760.00	\$760.00	\$0.00
Meeting Room 3	Breakouts	2/1/23	7:00A - 11:59P	\$760.00	\$760.00	\$0.00
Meeting Room 4	Office/Storage	2/1/23	7:00A - 11:59P	\$700.00	\$700.00	\$0.00
West Lobby (Level 1)	Registration	2/1/23	7:00A - 11:59P	\$0.00	\$0.00	\$0.00
Hall B+C	General Session	2/2/23	6:30A - 11:59P	\$15,500.00	\$7,750.00	\$7,750.00
Ballroom A10	Breakouts	2/2/23	7:00A - 11:59P	\$740.00	\$740.00	\$0.00
Ballroom A11	Breakouts	2/2/23	7:00A - 11:59P	\$740.00	\$740.00	\$0.00
Ballroom A2	Breakouts	2/2/23	7:00A - 11:59P	\$740.00	\$740.00	\$0.00
Ballroom A3	Breakouts	2/2/23	7:00A - 11:59P	\$740.00	\$740.00	\$0.00
Ballroom A4	Misc Meeting Room	2/2/23	7:00A - 11:59P	\$740.00	\$740.00	\$0.00
Ballroom A5	Misc Meeting Room	2/2/23	7:00A - 11:59P	\$740.00	\$740.00	\$0.00
Ballroom A6	Misc Meeting Room	2/2/23	7:00A - 11:59P	\$740.00	\$740.00	\$0.00
Ballroom A7	Breakouts	2/2/23	7:00A - 11:59P	\$740.00	\$740.00	\$0.00
Ballroom A8	Breakouts	2/2/23	7:00A - 11:59P	\$740.00	\$740.00	\$0.00
Ballroom A9	Breakouts	2/2/23	7:00A - 11:59P	\$740.00	\$740.00	\$0.00
Hall A	Exhibit Hall (Evening Move-Out)	2/2/23	7:00A - 11:59P	\$8,735.00	\$0.00	\$8,735.00
Meeting Room 1	Breakouts	2/2/23	7:00A - 11:59P	\$1,160.00	\$1,160.00	\$0.00
Meeting Room 2	Breakouts	2/2/23	7:00A - 11:59P	\$760.00	\$760.00	\$0.00
Meeting Room 3	Exhibit Hall (Evening Move-Out)	2/2/23	7:00A - 11:59P	\$760.00	\$760.00	\$0.00
Meeting Room 4	Office/Storage	2/2/23	7:00A - 11:59P	\$700.00	\$700.00	\$0.00
West Lobby (Level 1)	Registration	2/2/23	7:00A - 11:59P	\$0.00	\$0.00	\$0.00
Ballroom A1	Dinner/Dance (May be offsite)	2/2/23	8:00A - 11:59P	\$8,640.00	\$8,640.00	\$0.00

Hall B+C	General Session	2/3/23	6:30A - 5:00P	\$15,500.00	\$7,750.00	\$7,750.00
Ballroom A1	Breakout	2/3/23	7:00A - 11:59A	\$8,640.00	\$8,640.00	\$0.00
Ballroom A10	Breakouts	2/3/23	7:00A - 11:59P	\$740.00	\$740.00	\$0.00
Ballroom A11	Breakouts	2/3/23	7:00A - 11:59P	\$740.00	\$740.00	\$0.00
Ballroom A2	Breakouts	2/3/23	7:00A - 11:59P	\$740.00	\$740.00	\$0.00
Ballroom A3	Breakouts	2/3/23	7:00A - 11:59P	\$740.00	\$740.00	\$0.00
Ballroom A4	Misc Meeting Room	2/3/23	7:00A - 11:59P	\$740.00	\$740.00	\$0.00
Ballroom A5	Misc Meeting Room	2/3/23	7:00A - 11:59P	\$740.00	\$740.00	\$0.00
Ballroom A6	Misc Meeting Room	2/3/23	7:00A - 11:59P	\$740.00	\$740.00	\$0.00
Ballroom A7	Breakouts	2/3/23	7:00A - 11:59P	\$740.00	\$740.00	\$0.00
Ballroom A8	Breakouts	2/3/23	7:00A - 11:59P	\$740.00	\$740.00	\$0.00
Ballroom A9	Breakouts	2/3/23	7:00A - 11:59P	\$740.00	\$740.00	\$0.00
Meeting Room 1	Breakouts	2/3/23	7:00A - 11:59P	\$1,160.00	\$1,160.00	\$0.00
Meeting Room 2	Breakouts	2/3/23	7:00A - 11:59P	\$760.00	\$760.00	\$0.00
Meeting Room 3	Breakouts	2/3/23	7:00A - 11:59P	\$760.00	\$760.00	\$0.00
Meeting Room 4	Office/Storage	2/3/23	7:00A - 11:59P	\$700.00	\$700.00	\$0.00
West Lobby (Level 1)	Registration	2/3/23	7:00A - 11:59P	\$0.00	\$0.00	\$0.00
Total Booking Charges:						\$74,315.00

Center reserves the right to reassign space and move Licensee's activities to any other appropriate spaces in the Center. Center shall provide the basic facility for Licensee's use, which shall include normal custodial service and utilities. Services listed above are subject to change. Charges are not limited to what is specified above.

Payment Plan

Due Date	Amount Due
11/30/19	\$24,772.00
8/21/20	\$24,772.00
7/22/22	\$24,771.00

Concessions

- Exhibit Hall Decorator Move-In Waived with (3) days paid.
- General Session/Meal Room (Hall B+C) discounted 50% for non-commercial event.
- West Lobby waived for registration.
- Setup day for Ballroom A1 - A11 and Meeting Room 1 - 3 charged at 50% for setup of the reg tracking system.
- Event days for Ballroom A1 - A11 and Meeting Room 1 - 3 waived based on citywide criteria of 525 guest rooms over 2 consecutive nights.
- Exhibit D is held on first right of refusal. In the event Exhibit Hall D is requested to contract by a 3rd party, Licensee will have the option to contract and furnish payment for the additional space within (3) business days of notification to Licensee.
- Overtime rental fees have been waived for access to the General Session in Exhibit Hall B+C at 6:30 a.m. for rehearsal.
- Meeting spaces used for breakfast service will not incur overtime charges for access at 6:30 a.m.

EXHIBIT B
ADDITIONAL LICENSE TERMS AND CONDITIONS

1. EXTRA SERVICES:

Center will provide, at Licensee's cost and expense, ticket sellers, ticket takers, ushers, guards, stagehands, city police, firefighters, changeover costs, extra garbage pick-up and other services and personnel as may be necessary. Licensee agrees to give the Center at least fourteen (14) days written notice of its personnel requirements and a full and detailed outline of required arrangements, including the floor set-up and other information required by the Center. The rates for additional rental equipment, electrical equipment, compressed air, gas, steam and water, etc. are on file in the office of the General Manager. The General Manager shall set the rates for additional personnel.

A. Electrical – Production Power

Effective July 1, 2012, the Sacramento Convention Center will be charging our licensee for production power usage. The definition of "production power usage" is the utilization of any power requirements over and above the existing 20 amp wall outlets available in the contracted space (applies to Convention Center space only).

Production power encompasses any production electrical services including but not limited to lighting, audio visual or video services. It is incumbent upon the licensee to provide the General Contractor/Service Provider and SCC with their production power needs. All production power usage requests must be received at least (2) weeks prior to the move-in date outlined in the contract. The SCC will charge the licensee direct for any production power usage over and above the existing 20 amp wall outlets available in their contracted space.

2. FIRE MARSHAL PERMIT:

For those events with exhibitors or vendors utilizing the services of a Decorator, Licensee is required to submit a floor plan for review no later than 30 days prior to the event move-in date.

3. OVERTIME RENTAL:

Overtime rent rates will be charged to Licensee in the event Licensee has not vacated the Facilities by the move-out date and time specified in Exhibit A. Overtime rental rates apply 12:00 a.m. - 7:00 a.m. @ 110% of gross rent per hour or any fraction of an hour. A minimum of \$250.00 per hour will apply for any deviations to the contracted hours plus labor if required. SCC Hours are from 7:00 AM – 11:59 PM.

4. TRANSPORTATION MANAGEMENT PLAN:

Licensee will incur all costs for the provision of security personnel required to meet the requirements of the Center's Transportation Management Plan move-in and move-out procedures. Transportation Management Plan refers to personnel required for direction of trucks and vehicles used to load/unload equipment and/or materials on our loading docks and surrounding impacted streets. Number of TMP personnel to be determined by Event Services based on size and number of vehicles.

5. MOVE IN AND MOVE OUT:

All articles, exhibits, fixtures, materials, displays, etc. shall be brought into or out of the Center at such entrances and exits as may be designated by General Manager. Except with a written permit issued by the General Manager, move in and move out shall not be permitted to obstruct traffic on I, J, L, 13th, 15th or 16th Streets between the hours of 7:00 a.m. to 8:30 a.m. and 4:00 p.m. to 5:30 p.m. on week days.

Lighting & Air Conditioning/Heating

Energy conservation is of prime concern and minimal light and comfort levels will be maintained during show move-in/out. Fifty percent (50%) lighting "work lights" will be provided at no charge in all contracted spaces during move-in and move-out.

One hundred percent (100%) lighting "show lights" will be provided one (1) hour prior to show opening. Lighting requests outside of these parameters will be charged at the prevailing hourly rate.

Air conditioning/heating are provided during published event hours, one (1) hour prior to event start time. Air conditioning is not provided during move-in and move-out hours/days. Licensee requesting air conditioning during non-show periods will be charged at an hourly fee (contact Event Manager for prevailing rates).

6. CLEANING

Our maintenance crew takes exceptional care of everything from the carpet to the concrete surfaces to the stainless steel. They keep the restrooms; lobbies, corridors and other public areas clean during all event hours. Meeting rooms can also be refreshed between meeting sessions. Please provide your Event Manager with anticipated cleaning schedules or restricted areas.

Policies

Clean-up of exhibit booths and aisles is the responsibility of the Exhibitors and the Exhibit Decorator from the time of move in to move out.

The SCC will be responsible for monitoring the trash from receptacles, to cleaning the restrooms and maintenance of public areas.

Clients/exhibitors are expected to remove all signs, advertisements, etc. connected with their event by the completion of that event. This includes the removal of all wire, tape or other materials from all surfaces prior to exiting the building.

The Licensee shall remove debris from theme décor set up (trees, plants, bark, mulch, crate and pallets, etc.)

Special Cleaning

There may be an occasion where "special cleaning" is required during or after the event. If glitter or confetti is used as a decorative item, a fee will be charged to clean the area. The fee will be determined by the size and location of the material and is based on the labor required to restore the space to the condition found at move-in.

Broom Clean

The SCC requires the Exhibit Areas to be left in "broom clean" condition upon completion of your event. You may contract with outside cleaning services to accomplish the clean-up.

7. FOOD, BEVERAGE, AUDIO & VISUAL, TELECOMMUNICATIONS, AND OTHER CONCESSIONS:

Center reserves the right to exclusively operate or contract for the operation of Center concessions and to receive the income from such concessions. "Concessions" shall include, but are not limited to, the dispensing or sale of food, alcoholic and other beverages, programs, souvenirs, and novelties. Center also reserves the right to designate Classique Catering/Centerplate as the exclusive food service and concessions provider for the Center. Licensee is prohibited from bringing food and beverages into the Center. Licensee, exhibitors and other persons may distribute free samples of foodstuffs or beverages only upon the prior written consent of the General Manager or Classique Catering.

PSAV is the preferred in-house audiovisual provider and exclusive contractor for the house sound system and rigging services at the Sacramento Convention Center (SCC). They are a full-service company, capable of supplying professional sound reinforcement, video projection, drapery, lighting services, digital signage, presentation management, content creation, capture-recording, audience polling, mobile conference applications and creative design.

The Convention Center has a permanently installed sound system throughout the facility. PSAV is the only authorized operator of the center's permanent sound system. If you choose to contract with another audio-visual supplier, you will be required to use PSAV for any integration into the house sound system. This guarantees that only trained staff, knowledgeable in the system's operation will be working with our technical equipment. PSAV will quote charges for sound system use and labor upon request, please call (916) 808-0139 for more information and a price quote.

Center reserves the right to exclusively operate or contract for the operation of Center telecommunications services. "Telecommunications services" shall include, but are not limited to, the setup and operation of telecommunications equipment. Center also reserves the right to designate WOMBO, Inc. as the exclusive telecommunications services provider for the Center. Licensee is prohibited from bringing outside telecommunications services into the Center.

8. SELLING FEE:

For non-ticketed events, the Licensee shall pay a fee of \$100.00 (plus \$50.00 per type of item or item table) for selling approved event related items. The fee for sales of compact discs, DVDs, cassette/video tapes, books, novelties, souvenirs, all printed, taped or electronic materials, etc. at ticketed events shall be negotiated in advance by Licensee and the General Manager.

9. PRE-REGISTRATION FEES:

An event that requires the payment of money for admission is deemed a ticketed event. Licensees that collect payment prior to their event in the form of a registration fee are exempt from the status of a ticketed event as long as no money is collected at the door. If registration fees are collected at the door, there will be a fee of \$400.00 per session or performance payable in advance with the rental deposit.

10. SEATING CAPACITY:

Licensee shall not sell, or permit to be sold or distributed, tickets or passes in excess of the maximum capacity of the Facilities, nor admit a larger number of persons than can safely be accommodated. Any decisions of the General Manager regarding capacity limits shall be final.

11. FLAMMABLE MATERIALS:

No flammable materials such as bunting, tissue paper, crepe paper, etc. shall be used for decorations in the Center. All materials used for decorative purposes shall be treated with flame retardant and approved by the City of Sacramento Fire Department in advance of each event. No open flames are permitted in the Center.

12. ADVERTISING:

No signs or advertisements shall be placed in, on, or about the Center without the prior written consent of the General Manager and then only for the event authorized by this Agreement. Licensee shall not publicize or cause to be publicized in any manner a performance or

event contemplated by this Agreement prior to the execution of this Agreement by the Center and Licensee.

13. OPENING HOURS:

Licensee shall open the doors of the Facilities as advertised unless otherwise agreed upon in advance by Licensee and the General Manager.

14. INDEMNITY:

Licensee shall indemnify, defend and hold harmless the City, its officers, directors, employees, members and agents, and each of them, from any and all claims, actions, causes of action, demands or liabilities of whatsoever kinds and nature including judgments, interest, attorneys' fees including City's staff attorneys and outside attorneys, and all other costs, fees, expenses and charges which City, its officers, directors, employees, agents and members, and each of them, may incur arising out of the negligence, gross negligence or willful or wanton misconduct of the Licensee, its officers, directors, employees, or agents.

The City shall indemnify, defend and hold harmless Licensee, its officers, directors, employees, members and agents, and each of them, from any and all claims, actions, causes of action, demands or liabilities of whatsoever kinds and nature including judgments, interest, attorneys' fees, and all other costs, fees, expenses and charges which Licensee, its officers, directors, employees, agents and members, and each of them, may incur arising out of the negligence, gross negligence or willful or wanton misconduct of the City, its officers, directors, employees, or agents.

15. INSURANCE:

During the entire term of this Agreement, Licensee shall maintain the insurance coverage described in this Section 15. It is understood and agreed by the Licensee, that its liability to the City, shall not in any way be limited to or affected by the amount of insurance coverage required or carried by the Licensee, in connection with this Agreement.

A. Minimum Scope & Limits of Insurance Coverage

1. Commercial General Liability Insurance, providing coverage at least as broad as ISO CGL form 0001 on an occurrence basis for bodily injury, including death, of one or more persons, property damage and personal injury, with limits of not less than one million dollars (\$1,000,000.00) per occurrence. The policy shall provide contractual liability and products and completed operations coverage for the term of the policy.
2. Workers' Compensation Insurance within statutory limits, and Employers' Liability Insurance with limits of not less than one million dollars (\$1,000,000.00). The Workers' Compensation policy shall include a waiver of subrogation for contracts if required by the City, by selecting the option below:

☐ Workers' Compensation waiver of subrogation in favor of the City is required for the performance of services under this Agreement.

☐ No Workers' Compensation Insurance shall be required if Licensee completes the following certification:

"I certify that my business has no employees, and that I do not employ anyone. I am exempt from the legal requirements to provide Workers' Compensation Insurance."

Licensee Initials (☐)

B. Additional Insured Coverage

1. Commercial General Liability Insurance: The City, the Sacramento City Public Facilities Financing Corporation, the Sacramento Convention and Visitors Bureau, and their officials, employees and volunteers shall be covered by policy terms or endorsement as additional insureds as respects to general liability related to, or arising from, this Agreement. The general liability additional insureds endorsement must be signed by an authorized representative of the insurance carrier.

C. Other Insurance Provisions

The policies are to contain, or be endorsed to contain, the following provisions:

1. Licensee's insurance coverage shall be primary insurance as respects City, the Sacramento City Public Facilities financing Corporation, the Sacramento Convention and Visitors Bureau, and their officials, employees and volunteers. Any insurance or self-insurance maintained by City, the Sacramento City Public Facilities financing Corporation, the Sacramento Convention and Visitors Bureau or their officials, employees or volunteers shall be in excess of Licensee's insurance and shall not contribute with it.
2. Any failure to comply with reporting provisions of the policies shall not affect coverage provided to the City, the Sacramento City Public Facilities financing Corporation, the Sacramento Convention and Visitors Bureau or their officials, employees or volunteers.
3. Coverage shall state that Licensee's insurance shall apply separately to each insured against whom claim is made or suit is brought, except with respect to the limits of the insurer's liability.
4. City will be provided with thirty (30) days written notice of cancellation or material change in the policy language or terms.

D. Acceptability of Insurance

Insurance shall be placed with insurers with a Bests' rating of not less than A:V. Self-insured retentions, policy terms or other variations that do not comply with the requirements of this Section 22, must be declared to and approved by the City's Risk Management Division in writing prior to execution of this Agreement.

E. Verification of Coverage

1. Licensee shall furnish City with certificates and required endorsements evidencing the insurance required. The certificates and endorsements shall be forwarded to the General Manager not less than seven (7) days prior to occupancy. Copies of policies shall also be delivered to the City on demand. Certificates of insurance shall be signed by an authorized representative of the insurance carrier.
2. The City may withdraw its offer of contract or cancel this Agreement if the certificates of insurance and endorsements required have not been provided prior to execution of this Agreement. The City may cancel the Agreement if the insurance is canceled or Licensee otherwise ceases to be insured as required herein.

F. Subcontractors

Licensee shall require and verify that all subcontractors maintain insurance coverage that meets the minimum scope and limits of insurance coverage specified in subsection A above.

G. Insurance purchased by or through City.

1. Licensee may purchase commercial general liability (CGL) insurance through the City that meets the requirements of the Agreement by initialing below.

Licensee agrees to purchase CGL Insurance that meets the requirements of the Agreement through the City from a City designated insurer (____) Licensee Initials.

2. The City reserves the right to purchase insurance on behalf of Licensee if Licensee does not meet the requirements of subsection 15(E) above. In the event City exercises this option, Licensee shall be charged at the prevailing rates.

16. WORKERS COMPENSATION:

Licensee certifies that Licensee is aware of the provisions of Section 3700 of the California Labor Code which requires employers to be insured against all liability of Workers Compensation and that Licensee will comply therewith. The Licensee shall present evidence to the General Manager, thirty (30) days prior to occupancy, of Workers Compensation insurance coverage of \$1,000,000 or the Licensee's ability to self-insure.

17. COPYRIGHTS:

Licensee agrees, represents and warrants that nothing contained in the program, performance, exhibition or in any other way connected with Licensee's activities under this Agreement shall violate or infringe upon any copyright, patent, right of privacy or other statutory or common law right of any person, firm or corporation. Licensee shall deliver to the General Manager proof of copyright ownership or a copyright license not less than ten (10) days prior to the program, performance, and/or exhibition protected by the copyright(s). Licensee agrees to indemnify City for any penalties, claims, losses, costs, fees, liabilities, damages or injuries suffered by City resulting from Licensee's breach of the warranties or terms in this Section 17.

18. BROADCASTING/TAPING:

No event presented in the Facilities shall be broadcast, televised, or in any manner recorded for reproduction or rebroadcast without the prior written consent of the General Manager. Consent will not be unreasonably withheld. The Center will not pay any expenses pertaining to the broadcasting, televising or reproduction of any event.

19. CONDUCT OF PERSONS:

Licensee shall be solely responsible for the orderly conduct of all persons using the Center by its invitation, either expressed or implied. Center reserves the right to eject from the Facility any person engaging in unlawful conduct. Center shall provide at Licensee's expense security personnel to maintain order on and about the Facility, in the number determined by the General Manager.

20. CONTROL OF BUILDING:

The entrances and exits of the Center shall be locked and unlocked at such times as may be required for Licensee's use, but Licensee at its expense may at all times place security personnel at all entrances and exits when same are unlocked. The keys to the Center shall at all times be in the possession and control of the General Manager. Duly authorized representatives of Center shall have the right to enter the Center and all parts thereof at any time.

21. LOST ARTICLES:

Center shall have the sole right to collect and have custody of articles left in or around the Facility by persons attending Licensee's event(s). Neither Licensee nor Licensee's agents shall interfere with Center's collection and custody of the articles.

22. OBSTRUCTIONS:

Licensee shall not do, nor permit to be done, anything which may interfere with the effectiveness or accessibility of utility, heating, ventilating or air conditioning systems or portions thereof in the Center, nor do, nor permit to be done, anything which may interfere with free access to the public areas, streets, or sidewalks adjacent to the Center.

23. EXPIRATION OR TERMINATION OF LICENSE:

At the expiration of Licensee's date and time of use of the Facilities or upon the sooner termination of this Agreement, Licensee shall vacate the Center, remove all property brought to the Center by, or on behalf of Licensee, and return to the General Manager all equipment procured from the General Manager. The Facilities and equipment returned by the Licensee shall be in as good condition and repair as

before Licensee's use thereof except for ordinary wear and use.

Licensee agrees to pay cost of repair or replacement for all damages to Center property of whatever origin or nature resulting from the negligence or intentional misconduct of Licensee, its officers, employees, agents, or members, and the cost to maintain and store any of Licensee's property not removed from the Center. Center may withhold from box office receipts before settlement a reasonable amount to cover the cost arising from such damages. Center shall refund to Licensee any amount withheld in excess of actual damages.

24. DEFAULT OR CANCELLATION BY LICENSEE:

Should Licensee default in the performance of any of the terms and conditions of this Agreement, or should Licensee cancel the event described in this License Agreement, the Center may, as its sole option, elect to:

- a) Cancel this Agreement, in which event Licensee shall be released from all liability and obligations under this Agreement other than deposits forfeited; or,
- b) Enforce all the provisions, terms, and conditions of this Agreement, in which event Licensee shall be liable for the full amount of the license fee provided for herein, plus all reimbursable expenses incurred by Center in connection with the event.

Should the Center elect to enforce the provisions of this Agreement, Center reserves the right to execute a subsequent license agreement with a third party for the same period as described in Section b above and hold Licensee liable for the full amount of the license fee provided for herein, less the total amount of fees received under the subsequent license agreement, plus all cost and expenses. The execution of a subsequent license agreement pursuant to the provisions of this section shall not constitute a termination of this Agreement unless Center so notifies Licensee in writing. Any deposits made by Licensee to Center under this Agreement shall be retained by Center and Center reserves the right to determine whether to make ticket refunds.

25. TERMINATION BY CENTER:

The General Manager shall have the right to terminate all or part of this Agreement at any time when the Facilities are required for public necessity or emergency use or at any time when the General Manager determines that termination is necessary to preserve the public peace, prevent damage to public property, or prevent riots, mobs or violence. Upon such termination, Licensee shall be refunded any license fee paid to the Center. Except for such refund, neither the City, nor its officers, agents or employees shall be liable to Licensee for any expenses or damages whatsoever related to the cancellation. In no event shall City, its officers, agents, or employees be liable to Licensee for lost profits or consequential damages.

26. OCCUPANCY INTERRUPTIONS:

If the Center or any part thereof is destroyed or damaged by fire or any other cause, or if any unforeseen casualty, including strikes, labor disputes, war or acts of military authorities, shall render the performance of this Agreement difficult or impossible this Agreement shall be automatically terminated. City shall not be held liable to Licensee for any damage caused by such termination and City shall be relieved from further liability by reason of this Agreement and no claims for compensation shall be made against City by Licensee. Any fees for the unused share of the license shall be refunded to Licensee.

27. COMPLIANCE WITH LAWS:

Licensee, its officers, agents, employees and invitees, shall comply with all applicable rules within the Sacramento Convention Center Facility Services Guide, and all other applicable laws, ordinances, and regulations of any governmental entity. No performance, exhibition or entertainment shall be held in the Center that is in violation of any law.

28. NO ASSIGNMENT:

Licensee shall not assign any right or obligation pursuant to this Agreement without the prior written consent of the General Manager. Any attempted or purported assignment without the General Manager's written consent shall be void and of no effect.

29. PHOTOGRAPHY:

Center retains the right to photograph any and all events for its own purposes.

30. STORAGE:

In the receipt, handling, care and custody of property of any kind shipped or otherwise delivered to the Center prior to, during or subsequent to the use of the Facilities by Licensee, Center and its employees shall act solely for the accommodation of the Licensee, and Center shall not be liable for any loss or damage to the property.

31. SCHEDULING OF EVENTS:

Unless otherwise specified in writing, General Manager shall be privileged to schedule other similar events before, during and after Licensee's event without notice or obligation to Licensee.

32. LICENSEE NOT AGENT OF CENTER:

Except as Center may specify in writing, Licensee and Licensee's personnel shall have no authority, express or implied, to act on behalf of

Center in any capacity whatsoever as an agent. Licensee and Licensee's personnel shall have no authority, express or implied, to bind Center to any obligations whatsoever.

33. LICENSE NOT LEASE:

Licensee agrees that the portion of the Center assigned to Licensee is not leased to Licensee, that it is a Licensee and not a Lessee and that its right to occupy the Facility shall continue only so long as it strictly and promptly complies with each and all undertakings, provisions, covenants, agreements, stipulations, and conditions contained herein.

34. POSSESSORY INTEREST TAX:

This license may create a possessory interest subject to property taxation. Licensee shall be subject to payment of property taxes levied on the possessory interest by the County of Sacramento. State law requires a public entity renting or leasing its property to a private party to notify the private party about the potential tax. If imposed, the current interest tax is equal to 1.1295% of the assessed value. For further information about taxable possessory interests you may visit the County website at www.assessor.saccounty.net or call (916) 875-0700.

35. NONRESIDENT TAX WITHHOLDING

Pursuant to California Revenue and Taxation Code sections 18662 et seq., Licensee shall withhold income and franchise taxes payable to the California Franchise Tax Board ("FTB") from payments it makes to nonresident entities performing services in the State of California related to this Agreement and shall timely pay this income and taxes to the FTB. Licensee hereby agrees to indemnify City for any penalties, claims, losses, costs, fees, liabilities, damages or injuries suffered by City resulting from Licensee's breach of this Section 35.

36. AMERICANS WITH DISABILITIES ACT (ADA):

Center warrants that it is in compliance with the Americans with Disabilities Act (ADA) and all regulations thereunder and acknowledges and agrees that the Center is responsible for the permanent building access accommodations such as, wheelchair ramps, elevator standards, door width, seating accessibility, and auxiliary aids for the visually, hearing and mobility impaired.

37. SIGNATURES REQUIRED:

This Agreement shall have no force or effect whatsoever unless and until it has been executed by the Licensee and General Manager on behalf of the City of Sacramento. By its execution, Licensee covenants and agrees that it will faithfully perform and abide by each and every term, condition, and limitation of the license granted herein, each of which shall be a condition subsequent to continuance in effect of the license.



Sacramento Convention Center
1515 J Street
Sacramento, CA 95814

Phone: (916) 808-5291
Fax: (916) 808-7687

INVOICE #193-65-16407

Bill To:	California Society of Municipal Finance Officers Association (CSMFO)	Event(s):	2023 CSMFO Annual Conference
Attn:	Teri Anticevich	Date(s):	1/30/23 - 2/3/23
Invoice Date:	7/24/19	Due Date:	7/22/22

2023 CSMFO Annual Conference - 1/30/23 - 2/3/23

Deposits

<u>Item</u>	<u>Date</u>	<u>Qty</u>	<u>Units</u>	<u>Price</u>	<u>Note</u>	<u>Total</u>
3rd Deposit		1	Each	\$24,771.00 / Each		\$24,771.00
Deposits total						\$24,771.00

INVOICE TOTALS

Subtotal:	\$24,771.00
Discount(s):	\$0.00
Service Charge(s):	\$0.00
Tax(es):	\$0.00
Total:	\$24,771.00

PAYMENTS RECEIVED

<u>Date</u>	<u>Reference</u>	<u>Note</u>	<u>Amount</u>
Total Payments Received:			\$0.00
Balance Due:			\$24,771.00



Sacramento Convention Center
1515 J Street
Sacramento, CA 95814

Phone: (916) 808-5291
Fax: (916) 808-7687

PAYMENT INSTRUCTIONS

11/30/19	1st Rental Payment Due	\$24,772.00
8/21/20	2nd Rental Payment Due	\$24,772.00
7/22/22	3rd Rental Payment Due	\$24,771.00

Please remit payment to:

Sacramento Convention Center
1515 J Street
Sacramento, CA 95814



Sacramento Convention Center
1515 J Street
Sacramento, CA 95814

Phone: (916) 808-5291
Fax: (916) 808-7687

INVOICE #193-65-16469

Bill To:	California Society of Municipal Finance Officers Association (CSMFO)	Event(s):	2023 CSMFO Annual Conference
Attn:	Teri Anticevich	Date(s):	1/30/23 - 2/3/23
Invoice Date:	7/24/19	Due Date:	8/21/20

2023 CSMFO Annual Conference - 1/30/23 - 2/3/23

Deposits

<u>Item</u>	<u>Date</u>	<u>Qty</u>	<u>Units</u>	<u>Price</u>	<u>Note</u>	<u>Total</u>
2nd Deposit		1	Each	\$24,772.00 / Each		\$24,772.00
Deposits total						\$24,772.00

INVOICE TOTALS

Subtotal:	\$24,772.00
Discount(s):	\$0.00
Service Charge(s):	\$0.00
Tax(es):	\$0.00
Total:	\$24,772.00

PAYMENTS RECEIVED

<u>Date</u>	<u>Reference</u>	<u>Note</u>	<u>Amount</u>
Total Payments Received:			\$0.00
Balance Due:			\$24,772.00



Sacramento Convention Center
1515 J Street
Sacramento, CA 95814

Phone: (916) 808-5291
Fax: (916) 808-7687

PAYMENT INSTRUCTIONS

11/30/19	1st Rental Payment Due	\$24,772.00
8/21/20	2nd Rental Payment Due	\$24,772.00
7/22/22	3rd Rental Payment Due	\$24,771.00

Please remit payment to:

Sacramento Convention Center
1515 J Street
Sacramento, CA 95814



Sacramento Convention Center
1515 J Street
Sacramento, CA 95814

Phone: (916) 808-5291
Fax: (916) 808-7687

INVOICE #193-65-16532

Bill To:	California Society of Municipal Finance Officers Association (CSMFO)	Event(s):	2023 CSMFO Annual Conference
Attn:	Teri Anticevich	Date(s):	1/30/23 - 2/3/23
Invoice Date:	7/24/19	Due Date:	11/30/19

2023 CSMFO Annual Conference - 1/30/23 - 2/3/23

Deposits

<u>Item</u>	<u>Date</u>	<u>Qty</u>	<u>Units</u>	<u>Price</u>	<u>Note</u>	<u>Total</u>
1st Deposit		1	Each	\$24,772.00 / Each		\$24,772.00
Deposits total						\$24,772.00

INVOICE TOTALS

Subtotal:	\$24,772.00
Discount(s):	\$0.00
Service Charge(s):	\$0.00
Tax(es):	\$0.00
Total:	\$24,772.00

PAYMENTS RECEIVED

<u>Date</u>	<u>Reference</u>	<u>Note</u>	<u>Amount</u>
Total Payments Received:			\$0.00
Balance Due:			\$24,772.00



Sacramento Convention Center
1515 J Street
Sacramento, CA 95814

Phone: (916) 808-5291
Fax: (916) 808-7687

PAYMENT INSTRUCTIONS

11/30/19	1st Rental Payment Due	\$24,772.00
8/21/20	2nd Rental Payment Due	\$24,772.00
7/22/22	3rd Rental Payment Due	\$24,771.00

Please remit payment to:

Sacramento Convention Center
1515 J Street
Sacramento, CA 95814



HYATT REGENCY SACRAMENTO
1209 L STREET
SACRAMENTO, CA, 95814-, US
T: (916) 443-1234
F: (916) 321-3788

GROUP SALES AGREEMENT

Date Prepared: October 11, 2019

Group Contact: Teri Anticevich

Title: Meeting Coordinator

Organization: California Society of Municipal Finance Officers

Address: 700 R Street, Suite 200
Sacramento, CA 95811-6415

Telephone: (951) 780-7997 Fax: Email: Teri.anticevich@staff.csmfo.org

Event Name: CSMFO Sacramento 2023

Official Event Dates: Sunday, January 29, 2023 – Saturday, February 4, 2023

Hotel Sales Manager: Katy Contreras

Title: Sales Manager

Telephone: (916) 321-3555 Fax: (916) 321-3788 Email: katy.contreras@hyatt.com

California Society of Municipal Finance Officers ("Group") and Hyatt Corporation as agent of CAPITOL REGENCY LLC, A CALIFORNIA LIMITED LIABILITY COMPANY d/b/a HYATT REGENCY SACRAMENTO ("Hotel") agree as follows:

GROUP'S FIRST OPTION DUE DATE

Hotel agrees to hold the guest rooms and meeting and event space listed in this Group Sales Agreement (the "Agreement") for the Event named above on a tentative basis until **November 15, 2019**. If this Agreement is not fully executed by Group and returned to Hotel, together with any required deposit, credit application or other materials, by **November 15, 2019**, Hotel may release the guest rooms and/or meeting and event space. If, prior to Group's execution and return of this Agreement together with any other required materials, Hotel receives an alternate request for the Event guest rooms and/or meeting and event space, Hotel will notify Group and Group will have forty-eight (48) hours from Hotel's notification to return this signed Agreement together with any other required materials to Hotel.

GUEST ROOM BLOCK

The table below sets forth the total number of guest rooms set aside by Hotel for Group's use during the Official Event Dates ("Guest Room Block") (as defined herein).

Date	Day	Standard Rooms	One-Bedroom Presidential Suite	One-Bedroom Park Capitol Suite	Staff Rooms	Regency Club King Room	Daily Contracted Guest Room Block
January 29, 2023	Sunday	-	1	2	10	15	28
January 30, 2023	Monday	27	1	2	10	15	55
January 31, 2023	Tuesday	257	1	2	10	15	285
February 1, 2023	Wednesday	347	1	2	10	15	375
February 2, 2023	Thursday	312	1	2	10	15	340
February 3, 2023	Friday	-	1	2	10	15	28

Total Contracted Guest Room Block: 1,111

GUEST ROOM RATES

Hotel confirms the following Guest Room Rates:

Single Occupancy:	\$ 219.00
Double Occupancy:	\$ 219.00
Triple Occupancy:	\$ 244.00
Quadruple Occupancy:	\$ 269.00
Regency Club:	\$ 219.00 (Limit 15)
*Regency club is closed after Friday morning service and re-opens Monday Evening.	
Staff:	\$ 164.00 (Limit 10)
Park Capitol Suite:	\$ 219.00 (Limit 2) * Suite Pricing: All suite prices are quoted with one bedroom.
Presidential Suite:	\$ 0.00 (Limit 1) * Suite Pricing: All suite prices are quoted with one bedroom

Room rates are quoted exclusive of applicable state and local taxes (which are currently 12% Occupancy Tax, 3% Sacramento Tourism Assessment and \$0.45 CA tourism assessment fee per room, per night) or applicable service, or hotel specific fees in effect at the Hotel at the time of the event.

DEPOSITS

Non-refundable first night's room and tax deposit is due with reservation. All cancellations will forfeit deposit regardless of cancellation timeframe. Name changes are allowed as long as the deposit stays with the reservation. No change and/or cancellations within 14 days of arrival. Cancellations within 14 days will forfeit the entire length of stay. Any deposits retained by the hotel will be counted for attrition purposes, rebate and commissionable.

PRE/POST CONFERENCE RATES

Group Room Rates will be honored three (3) days pre/post based on availability (these dates MUST be included on the registration link created by Hotel)

LOWEST GROUP RATE

It is understood that during the group peak dates of **January 31, 2023 – February 2, 2023**, the Group will be guaranteed the lowest group rate in-house excluding previously negotiated volume corporate business and/or government accounts, crew rooms or similar agreements.

RELOCATION

In the event that the Hotel is overbooked during a portion of the Group's stay, and any of the Group's attendees are "walked," the Hotel will:

- Inform the Group's main contract as soon as possible to prioritize group attendees that are walked.
- Obtain, at no charge to the walked guest, a room at an equivalent or better hotel as close as possible to the hotel.
- Provide at no cost or reimburse for transportation to/from the substitute hotel and functions
- The displaced guest shall have a priority reservation for the first available room at the Hotel if the displaced guest does wish to move back to the original property.
- Keep a listing so that anyone who calls for the walked guest can be referred to the guest at the new hotel.
- Walked rooms will be counted towards the complimentary rooms at the original contract hotel, will be counted attrition purposes, and will be commissionable.

RESERVATION METHOD

Reservations may be made, modified or canceled by individuals on-line at a URL to be established by Hyatt Regency Sacramento and published by the group to potential attendees. Individuals will also be able to make reservations, modify or cancel individually through Hotel's Reservation Department by calling 916 - 443-1234 or 1-800-233-1234 and referring to Group or Event name. Reservations for rooms accessible to guests with disabilities may be made in the same manner. Reservations must be made on or before the Cut-Off Date specified below.

CUT-OFF DATE

The "Cut-Off Date" is **January 9, 2023**. After the Cut-Off Date, all rooms within Group's contracted Guest Room Block that have not been reserved will be returned to Hotel's general inventory. Reservation requests for rooms within the Guest Room Block received after the Cut-Off Date will be based on availability at Hotel's prevailing rates and will be credited to achieving Group's Contracted Guest Room Revenue Commitment. Only actual reservations for Event attendees will be considered valid

room reservations. After the Cut-Off Date, cancelled guest rooms will be returned to Hotel's inventory. Name changes on, or other transfers of, room reservations will not be accepted after the Cut-Off Date.

COMPLIMENTARY ROOMS

Hotel will provide Group with one (1) complimentary room for every **fifty (50)** revenue-producing guest rooms occupied by Group on a cumulative basis over the Official Event Dates. The number of complimentary rooms provided to Group shall be determined by adding together the total actualized room nights per night of consecutive night stays over the Official Event Dates and dividing the total by **fifty (50)**. The number of actualized room nights credited toward Group's complimentary rooms shall be determined as follows:

Room Type	Number of Actualized Rooms Credited Toward Complimentary Room Count
Guest Room	1 Unit
Executive King	2 Units
Regency Club	2 Units
Park Capitol Suite (One-bedroom)	3 Units

Complimentary rooms, discounted guest rooms and suites, and pre-and post-Event rooms, if any, are considered concessions and shall not be included in the calculation of revenue-producing guest rooms to determine the number of complimentary rooms. Complimentary rooms may not be used as credit for Event fees or future events. All complimentary rooms earned by Group must be assigned to a specific Group attendee, otherwise they have no value and if not utilized, have no monetary value.

****Please note,** should Group wish to use a complimentary unit on a room that was already upgraded per the assigned concession, this will only count as one unit per night. For additional rooms above and the concessions, the abovementioned chart will apply.

COMMISSIONABLE

The Guest Room Rates set forth above are commissionable to **Meeting & Association Management Services, Inc.** as agent of record for Group ("Agent"). Agent's IATA number is 05702012. Commissions shall be paid at the rate of seven percent (7%) of the Guest Room Rate for all rooms within the Guest Room Block that are actually used and paid for by Group. Said commissions shall be paid no later than thirty (30) days after Group's payment in full of the Master Account. Commissions will not be paid on guest rooms booked outside the Guest Room Block.

Group acknowledges and agrees that it is solely responsible for disclosing to its members and attendees the terms of this Agreement, including the portion, if any, of Group's room rates being paid to Group or another third party as a commission.

AGENCY

Group is being represented by **Meeting & Association Management Services, Inc.** who Group's sole agent for the Event. Group acknowledges that Agent has complete authority to represent Group in all matters arising under this Agreement. Group acknowledges and agrees that Hotel may act in accordance with the directions given by Agent consistent with this Agreement and that Group will be bound by the agreements made by Agent and will pay all fees, charges, costs and expenses due and owing Hotel in accordance with any such agreements. Agent is the agent of Group and not of Hotel. In the event questions arise over amounts paid or payable to Agent under this Agreement, Hotel will abide by the requests or decisions of Group (including, without limitation, providing Group copies of this Agreement and other Event materials). In no event shall Hotel be liable to Agent, if Group terminates Agent, as its agent. Group hereby agrees to defend, indemnify and hold harmless Hotel from any liability arising out of Group's appointment or termination of Agent as its agent or Hotel's payment of amounts owed to Agent.

REBATE

A rebate in the amount of \$10.00 per fully paid occupied room night, at the contracted Guest Room Rate, within the Guest Room Block will be paid to **CA Society of Municipal Finance Officers** following Group's payment in full of the Master Account. Group acknowledges and agrees that it is solely responsible for disclosing the existence of this rebate to its members and attendees prior to the Event in all pre-Event collateral and program materials. No rebate will be paid on any Attrition Charges, or Cancellation Charges collected by Hotel, no-show or early departure fees, guest rooms booked outside of the Guest Room Block, or on any discounted rooms, including but not limited to staff rooms.

WORLD OF HYATT REWARDS

This meeting qualifies for World of Hyatt Rewards. Reward points recipient, as designated below, will earn one Bonus Point per eligible U.S. dollar spent (up to 100,000 Bonus Points) for hosting a qualifying meeting or event at Hyatt.

For complete World of Hyatt terms and conditions visit: <https://world.hyatt.com/content/gp/en/rewards/meetings-events.html>

(Initials) World of Hyatt Reward recipient:
Teri Anticevich / G307273711

SPECIAL CONSIDERATIONS

Hotel, as a special consideration to Group, will provide:

- Complimentary 24-hour fitness center access for all hotel guests
- Complimentary Standard WI-FI in Guest Rooms and Hotel Lobby area
- One (1) complimentary Presidential Suite for January 29, 2023 - February 4, 2023
- Two (2) upgrades to One Bedroom Park Capitol Suite at the group rate for January 29, 2023 - February 4, 2023
- Fifteen (15) upgrades to Regency Club at the group rate for January 29, 2023 - February 4, 2023
- ***Note: Regency club is closed after Friday morning service and re-opens Monday Evening.**
- Ten (10) Staff and Speaker rooms at a discounted rate of \$164.00 for January 29, 2023 - February 4, 2023
- Three (3) VIP Chef's choice amenities. Additional amenities at \$25.00++/Each
- Double World of Hyatt Points (up to 100,000 points)
- Complimentary Lecterns/Risers provided in all meeting space, based on availability.
- Complimentary pens, pads or candies in meeting rooms
- Complimentary water stations in meeting rooms
- Complimentary easels for signage placement outside of each meeting room, and in other areas designated by the Group (such as registration areas, exhibit areas, etc.) not to exceed the Hotel's inventory
- Complimentary handling/receiving for up to 10 boxes
- Rekeying of (3) rooms at no charge.
- Discounted Day use parking will be made available for both self and valet parking based on 2023 parking rates
- Complimentary use of digital signage available to Groups
- Complimentary meeting room for one (1) Board Meeting up to (50)ppl. U-Shape, once per year prior to the conference based on space availability. Sleeping rooms for up to (50) rooms at group rate of \$219.00 (to include 7% commission) or less based on availability.

Special considerations must be assigned, otherwise they have no value and if not utilized, have no monetary value and cannot be applied as credit to master account.

GUEST ROOM MINIMUM

Hotel is relying on, and Group agrees to provide, a minimum of eighty percent (80%) of the room block or **868** guest room nights. Should the Group actualize below **868** total room nights; the following fee will be assessed:

The Group will be charged eighty percent (80%) of the single contracted rate of **\$219.00**, which is **\$175.20**, for each room night that falls below **868** room nights. This amount shall be paid to the hotel.

For any day that the hotel achieves 100% occupancy during the official event dates, the Group will receive credit for full achievement of the contracted block for that day. In such a case, the Group's total pick up will be calculated by adding the difference between contracted and actual room nights for sold out nights to the Group's total pick up. If the Hotel comes close to selling out, the group is only responsible for the shortfall between contracted minimum and sell out. (i.e. – Group is short 20 rooms, but hotel is 7 rooms shy of reaching 100% occupancy, the group is only responsible for the 7 rooms)

At the Group's request, Hotel's in-house guest list will be compared with the Group's registration list. Any guest room occupied by an individual on Group's registration list, but not coded to Group within Hotel's system, will be credited to Group's pickup.

If names are found on the Group's registration list and on the Hotel's in-house list that are not coded to the customer, they shall be credited to the Group hotel pickup (regardless of room rate). This credit will increase the Group pickup as well as increasing the complimentary credits earned.

The Hotel and Group intend to liquidate the damages in the event that the Group fails to meet the Guest Room Minimum set forth in this section. Therefore, Group and Hotel agree (a) that the above formula is a reasonable estimate of the Hotel's damage in the event that such a minimum is not met and (b) that the liquidated damages set forth in this section do not constitute a penalty.

MEETING AND EVENT SPACE COMMITMENT

Group's program of events must be signed and initialed by Group and returned to Hotel with this signed Agreement (the "Program of Events"). Hotel will hold the meeting and event space as set forth on the signed and initialed Program of Events, which shall be attached to and made a part of this Agreement. This is considered to be a firm commitment by Group and any increase or decrease to that commitment or Group's Food and Beverage Revenue Commitment (as defined below) may result in a modification of Group's Meeting and Event Space Rental Fee (as defined below), if any, by Hotel. All meeting and event space is assigned by Hotel according to the number of persons guaranteed to attend the Event. Hotel may reassign the meeting or event space listed on the Program of Events at Hotel's sole discretion. Failure to submit a finalized Program of Events to Hotel 30 days prior to Group's arrival may result in a release or reassignment by Hotel of the meeting or event space being held for Group. Group agrees to promptly notify Hotel of any changes in its meeting or event space requirements.

Meeting and event space rental for this Event is **waived** (the "Meeting and Event Space Rental Fee"). The Meeting Event Space Rental Fee is subject to taxes and service charges in effect at the time of the Event. The current tax rate for meeting rooms is 8.75% and the service charge is 25%.

FOOD AND BEVERAGE REVENUE COMMITMENT

By entering into this Agreement, Group agrees to provide a minimum of **\$0.00** in meeting and event food and beverage revenue (the "Food and Beverage Revenue Commitment"). The Food and Beverage Revenue Commitment excludes services charges, taxes, audio visual, parking or other associated expenses applicable at the time of the Event. Should Group's actual meeting and event food and beverage revenue fall below the Food and Beverage Revenue Commitment, Group shall pay as liquidated damages the difference between the Food and Beverage Revenue Commitment (after deducting any permissible reduction) and the actualized meeting and event food and beverage revenue, plus any applicable taxes and service charges (also referred to as "Attrition Charges"). Attrition Charges owed to Hotel under this Section, if any, will be posted as a charge on Group's Master Account together with applicable taxes and service charges.

Hotel and Group agree that: (a) the above formula is a reasonable estimate of Hotel's damages in the event the Food and Beverage Revenue Commitment is not met; and (b) the Attrition Charges set forth in this Section do not constitute a penalty.

All banquet food and beverage arrangements must be made through Hotel. Only food and beverage purchased from Hotel may be served on Hotel property. Hotel reserves the right to cease service of alcoholic beverages in the event that persons under the age limit mandated by applicable law are present at the Event and attempt to receive service of alcoholic beverages. Hotel reserves the right to deny alcoholic beverage service to guests who appear to be intoxicated.

SERVICE CHARGES-FOOD AND BEVERAGE

A service charge and applicable taxes that are in effect at the time of the Event shall be added to all food and beverage charges. The current service charge is 25%. Service charges may be subject to sales or other taxes in effect at the time of the Event. Group and its attendees may provide an additional tip to Hotel's staff. All service charges will be posted to Group's Master Account.

ADDITIONAL CHARGES / SURCHARGES

Neither Group nor its attendees will be responsible for paying any taxes or additional surcharges, gratuities, resort fees, or service fees not included in this Agreement unless required by law. Hotel will inform Group of any changes in tax rate or type that will affect Group and its attendees after the signing of its contract.

RESORT FEES

No resort fees will be added to the room rate, even if resort fee should in the future become an added fee by the hotel.

BILLING ARRANGEMENTS

Individuals shall be responsible for their own guest room, tax, incidental charges and any other charges not authorized by Group to be billed to the Master Account. All charges incurred are to be paid upon checkout. The Master Account is limited to charges for the Meeting and Event Space Rental Fee, food and beverage events and other services requested by Group. Credit procedures will be provided to Group by Hotel upon the request for a credit application.

If Group wishes to set up direct billing for the Master Account, a credit application must be completed and returned to Hotel for approval together with this signed Agreement. In the event credit is approved: (i) all charges (up to the authorized credit amount) shall be due and payable to Hotel no later than thirty (30) days after Group's receipt of the Master Account invoice; and (ii) Hotel reserves the right to rescind its approval if there is a material change in Group's creditworthiness or material increase in anticipated charges.

In the event that credit is not requested, not approved or subsequently rescinded, payment of Group's total estimated Master Account will be due to Hotel prior to Group's arrival in accordance with the deposit schedule below. Failure to remit such payment(s) when due will be deemed to be a cancellation of this Agreement by Group, and Group shall be liable for the Cancellation Charges as set forth herein.

Invoice disputes and/or billing errors must be communicated to Hotel no later than fourteen (14) days before the date payment is due.

CONSTRUCTION OR RENOVATION

In the event the Hotel will be undergoing any material non-emergency construction or renovation during the event dates, the Hotel shall promptly notify the Group, and the Group shall have the right to cancel this Agreement without liability upon written notice to the Hotel if, in the reasonable judgment of the Group and the Hotel, such construction or renovation will materially interfere with the Group's ability to hold the event.

CONVENTION CENTER CONTINGENCIES

The obligation of Group to perform this Agreement is subject to and contingent upon concluding successful contract negotiations with the Sacramento Convention Center. If Group does not enter into a written contract with the Center, within a reasonable amount of time from the commencement of negotiations with the Center, Group shall have the right to terminate this Agreement without penalty upon written notice to the Hotel. During contract negotiations with the Center, the Hotel shall not have the right to cancel this Agreement. Further, if the Center shall not be available or in Group's commercially reasonable judgment shall not be in suitable condition for Group because of construction, remodeling, or damage caused by fire, lightning, storm, earthquake or other casualty, then Group shall have the right to terminate this Agreement without penalty upon written notice to the Hotel. Any deposits paid by Group or its guests prior to any such cancellation shall be refunded within thirty (30) days from the date of notification of cancellation.

CANCELLATION OPTION

Either Hotel or Group may cancel this Agreement without cause upon written notice to the other party at any time prior to the Event. In the event Group cancels without cause, Group shall pay Hotel liquidated damages in an amount calculated according to the table below (the "Cancellation Charges"), plus applicable taxes. Applicable Services Charges will be added to the Cancellation Charges when cancellation occurs sixty (60) days or less prior to the first date of the Event.

From January 29, 2022 through the first day of the Event	\$194,647.20(80% of the aggregate Contracted Guest Room Revenue Commitment)
From January 29, 2021 through January 28, 2022	\$170,316.30 (70% of the aggregate Contracted Guest Room Revenue Commitment)
From January 29, 2020 through January 28, 2021	\$121,654.50 (50% of the aggregate Contracted Guest Room Revenue Commitment)
Agreement signing through January 28, 2020	\$97,323.60 (25% of the aggregate Contracted Guest Room Revenue Commitment)

Payment of the Cancellation Charges shall be made by Group to Hotel at the time this Agreement is canceled by written notice. Hotel and Group agree that: (a) the damages suffered by Hotel in the event that Group cancels without cause are difficult to calculate; (b) the above formula is a reasonable estimate of such damages; and (c) the Cancellation Charges do not constitute a penalty.

In the event Hotel cancels this Agreement without cause, Hotel shall pay Group any direct damages suffered as a result of the cancellation, which damages shall not exceed the amount calculated according to above scale.

The parties' obligations under this Section shall survive termination of this Agreement.

REBOOK CLAUSE

If Group cancels this contract the payment outlined above is due upon cancellation. However, if Group is able to reschedule a similar meeting of the same revenue or larger of the original meeting at Hotel, that occurs within the same calendar year of the events contracted meeting dates, Hotel will credit one hundred percent (100%) of the cancellation moneys towards the new meeting.

RIGHTS OF TERMINATION FOR CAUSE

This Agreement may be terminated by either party without liability upon written notice under the following circumstances:

- (i) if a party's performance under this Agreement is subject to acts of God, war, government regulation, terrorism, disaster, strikes, civil disorder, curtailment of transportation facilities, or any other emergency of a comparable nature beyond the party's control that in each case make it illegal or impossible to perform its obligations under this Agreement. In such event, the terminating party shall give written notice of termination to the other party within five (5) days of such occurrence; or
- (ii) if either party makes a voluntary or involuntary assignment for the benefit of creditors or enters into bankruptcy proceedings prior to the date of the Event. In such event, the party who is not making an assignment or entering into bankruptcy proceedings shall have the right to terminate this Agreement upon written notice to the other party; or
- (iii) if at the time of the Event, the hotel will no longer be operated under a Hyatt brand. In such event, Hotel shall notify Group in writing of such change, and Group shall have the right to terminate this Agreement without liability upon written notice to Hotel within thirty (30) days of the date of Hotel's notice of change of brand.

In the event of termination by either party under this Section, Hotel shall refund all deposits and/or prepayments made by Group within thirty (30) days of receipt of the notice of termination.

Except as otherwise specifically provided in this Agreement, neither party shall have the right to terminate this Agreement for any other cause.

STRIKES/LOCKOUTS/LABOR DISPUTES

The Hotel has a duty to disclose the names of all unions having jurisdiction in the hotel, including any contract negotiation dates that would affect service (contract renegotiations) during the meeting dates. If the hotel is not currently unionized, Hotel would notify the Group if it does become unionized during the period after the signing of this contract and prior to the meeting dates, along with contract renegotiation dates. If a strike, lockout or labor dispute occurs within six months of the meeting date, Hotel will notify Group of the status.

The hotel is currently under contract with the Stationary Operating Engineers Union Local 39 thru 10/31/2024 (Hotel Engineering Department)

INDEMNIFICATION AND HOLD HARMLESS

Hotel agrees to defend, indemnify and hold Group harmless from and against all claims, costs, losses, expenses, damages, actions, causes of action, and/or liabilities, including reasonable attorneys' fees, arising out of or resulting from: (i) any negligent act undertaken or committed by Hotel pursuant to the performance of its obligations under this Agreement except to the extent such actions or liabilities are due to the misconduct or negligence of Group or its employees, attendees, agents or contractors; or (ii) any breach by Hotel of its obligations under the Sections of this Agreement titled "Compliance with Laws" or "Privacy of Personal Information."

Group agrees to defend, indemnify, and hold Hotel, the entity that owns the hotel, the entity that manages the hotel and their affiliates and each of their respective shareholders, members, directors, officers, managers, employees and representatives harmless from and against all claims, costs, losses, expenses, damages, actions, causes of action, and/or liabilities, including

reasonable attorneys' fees, arising out of or resulting from: (i) any negligent act undertaken or committed by Group, its employees, invitees, attendees or any contractors hired or engaged by Group in connection with the performance of Group's obligations under this Agreement, except to the extent such actions or liabilities are due to the misconduct or negligence of Hotel; or (ii) any breach by Group of its obligations under the Sections of this Agreement titled "Compliance with Laws," "Privacy of Personal Information" or "Permits and Licenses."

The parties' obligations under this Section shall survive completion or earlier termination of this Agreement.

INSURANCE

Group and Hotel shall each maintain sufficient insurance to insure their obligations set forth in the Section of this Agreement titled "Indemnification and Hold Harmless," and each shall provide evidence of such insurance upon request.

CONTRACTORS

For any activity introduced onto Hotel's premises by an outside provider engaged by Group, Group will ensure that such providers comply with the terms of this Agreement and with any requirements for such providers as provided to Group by Hotel. Group will be fully responsible for such providers' actions or inactions and agrees to remove from Hotel's premises any outside provider that Hotel deems objectionable or whose activities cause reasonable concern. Upon request, Group will provide a certificate of insurance from such outside providers covering their actions and naming Hotel, the entity that owns the hotel, the entity that manages the hotel and their affiliates as additional insureds with regard to their activities.

AMERICANS WITH DISABILITIES ACT

Hotel acknowledges its obligation to comply with the public accommodations requirements of the Americans with Disabilities Act or similar local laws regarding access and public accommodation ("Public Access Laws") except those of Group including Group's obligation to (i) remove "readily achievable" physical barriers within the meeting rooms utilized by Group that Group created (e.g., set-up of exhibits in an accessible manner) and that are not controlled or mandated by Hotel; (ii) provide auxiliary aids and services where necessary to ensure effective communication of the Event to disabled participants (e.g., Braille or enlarged print handouts, interpreter or simultaneous videotext display); and (iii) modify Group's policies, practices and procedures applicable to attendees as required to enable disabled individuals to participate equally in the Event. Group shall identify in advance any special needs of disabled Event attendees requiring accommodation by Hotel and will notify Hotel of such needs for accommodation in writing as soon as they are identified to Group. Whenever possible, Group shall copy Hotel on correspondence with attendees who indicate special needs requiring accommodation under such Public Access Laws. Hotel shall notify Group of requests for accommodation that it may receive otherwise than through Group to facilitate identification by Group of its own accommodation obligations or needs as required by such Public Access Laws. Any extraordinary costs for special auxiliary aids requested by Group shall be borne by Group.

COMPLIANCE WITH LAWS

Each party hereby represents, warrants and covenants that it shall comply with all laws, rules, orders and regulations applicable to its performance under this Agreement.

CHANGES; NOTICE

Any changes to this Agreement must be made in writing and signed by both parties to be effective. Any modifications, additions or corrective lining out made on this Agreement will not be binding unless such modifications have been signed or initialed by both parties. Any notice hereunder shall be given to the individuals listed on the first page of this Agreement at the addresses set forth herein. Notice must be given by: (i) certified or registered mail, return receipt requested; (ii) commercial courier for overnight delivery, with a signature signifying receipt; (iii) facsimile evidenced by a machine-generated receipt; or (iv) email, provided that for notices given by facsimile or email, a confirmation copy must also be sent that same day by commercial courier for overnight delivery as provided herein. All notices shall be deemed delivered upon receipt.

DAMAGE TO HOTEL PREMISES

Group shall be responsible for all damage to hotel event spaces caused by Group or its agents or contractors during scheduled events. Upon completion of the Event, Group will leave the event spaces in the same condition as received, reasonable wear and tear excepted.

Group's obligations under this Section shall survive completion or earlier termination of this Agreement.

LIMITATION OF LIABILITY

Except for damages covered by the indemnifying party's indemnification obligations as set forth in the Section titled "Indemnification and Hold Harmless," neither party shall be liable to the other for any special, indirect, incidental, consequential, punitive or exemplary damages even if such party has knowledge of the possibility of such damages, provided that in no event shall either party be liable to the other for any lost profits. Under no circumstances shall this limitation of liability limit or waive Group's obligations to pay liquidated damages, including without limitation, Attrition Charges or Cancellation Charges that may be owed.

This Section shall survive completion or earlier termination of this Agreement.

PRIVACY OF PERSONAL INFORMATION

Hotel complies with the Global Privacy Policy for Guests, which is available at <http://privacy.hyatt.com> (the "Privacy Policy"). If applicable, Group agrees to inform guests or event attendees at Hotel ("Guests") where they may access the Privacy Policy. To the extent that Group transfer information related to any person to Hotel, Group confirms and warrants that it will do so in a manner ensuring appropriate security measures and in compliance with all applicable requirements of data protection and privacy laws and regulations. Group affirms that it (and its Agent, if applicable) is authorized to provide, request, and receive information pertaining to Guests and event attendees as is necessary pursuant to the Guests' hotel stay, event attendance or under this Agreement. Hotel will protect and use personal data about Guests and event attendees that Hotel receives in connection with its performance of this Agreement and as set forth in the Privacy Policy, provided that Group acknowledges and agrees that certain services may be provided by a third party and that use of such services may be subject to terms and conditions (including those regarding the access and use of Guest information) different than those in this Agreement.

PERMITS, LICENSES AND APPROVALS

Group shall, at its sole cost and expense, obtain all licenses, permits and approvals that are: (i) required for the Event; or (ii) required and/or necessary for Group to perform its obligations under this Agreement. Such licenses or permits include, but are not limited to licenses and permits: (a) from any applicable governing body; and (b) for the use of a third party's intellectual property, including but not limited to any music, videos, performances, and/or images.

GOVERNING LAW; JURISDICTION

This Agreement shall be governed by and construed under the laws of the State or Province in which Hotel's premises are located (excluding its conflicts of law rules). Any controversy, claim or dispute arising out of or relating to this Agreement shall be brought in any court of competent jurisdiction in the State or Province in which Hotel's premises are located for trial and determination without a jury.

WAIVER OF JURY TRIAL

TO THE EXTENT PERMITTED BY LAW, THE PARTIES HEREBY EXPRESSLY WAIVE THE RIGHT TO A TRIAL BY JURY.

ATTORNEYS FEES

In the event any legal action is taken by either party against the other party to enforce any of the terms and conditions of this Agreement, it is agreed that the unsuccessful party to such action shall pay to the prevailing party therein all court costs, reasonable attorneys' fees, and expenses incurred by the prevailing party. In addition, the party against whom collection is sought by non-judicial means shall be responsible for all reasonable costs (including reasonable attorneys' fees) incurred by the party that is successful in seeking collection of monies due pursuant to this Agreement.

WAIVER

If one party agrees to waive its right to enforce any term of this Agreement, that party does not waive its right to enforce such term at any other time or to enforce any or all other terms of this Agreement.

ENFORCEABILITY

If any provision of the Agreement is unenforceable under applicable law, the remaining provisions shall continue in full force and effect.

COUNTERPARTS/ELECTRONIC SIGNATURES

This Agreement may be executed in one or more counterparts with an original signature or with a Hotel-approved electronic signature, each of which shall be deemed an original and all of which shall constitute the same instrument. Further, if a signed Agreement is provided to Hotel as a photocopy, fax, PDF or other format through a Hotel-approved electronic software system,

then such Agreement shall be treated and shall have the same binding effect as an original and shall be acceptable to Hotel to hold the Guest Room Block and/or meeting space as set forth herein.

ENTIRE AGREEMENT

This Agreement, along with the attached documents, contains all of the terms agreed to by the parties. All prior agreements, verbal or written, are no longer effective once this Agreement is signed by the parties. Should there be any conflict between this Agreement and any addenda, exhibits, or attachments, the language of this Agreement shall control.

When signed by each party's authorized representative, this Agreement shall constitute a binding agreement between Group and Hotel.

By Hotel's
Authorized Representative

By Group's
Authorized Representative

By: _____ By: _____

Name: Katy Contreras Name: _____

Title: Sales Manager Title: _____

Date: _____ Date: _____

PROGRAM OF EVENTS

Report Printed: Friday, 11-Oct-2019
Report Time: 16:11 PM
SACRAMENTO HR

PROGRAM OF EVENTS
Booking #: 26399739
CA SOC OF MUNI FINANCE OFFICER
700 R street,
SUITE 200
SACRAMENTO, CA 95811 US
(951) 377-9705

1 of 1

Post As Name	Arrival Date	Departure Date	Contact Name	Sales Manager	Event Planning Manager
CSMFO SACRAMENTO 2023	Jan 29, 2023	Feb 4, 2023	ANTICEVICH, TERI	CONTRERAS, KATHRYN	
Billing Name	On-Site Contact	Billing Type	Account Number	Tax Exempt Number	
CA SOC OF MUNI FINANCE OFFICER	ANTICEVICH, MARISA	CREDIT CARD			
Event Name	Event Type	Event Time	Attendance	Setup	Room
Event Date: Monday, 30-Jan-2023					
OFFICE	OFFICE	08:00 AM - 06:00 PM	10	EXISTING	CAPITOL BOARD ROOM
PRE-CONVENTION MEETNIG	COFFEE BREAK	01:30 PM - 03:00 PM	4	HOLLOW SQUARE	BIG SUR AB
Event Date: Tuesday, 31-Jan-2023					
Pre-Conference Breakout #1	MEETING	08:00 AM - 05:00 PM	100	SCHLRM-18 INCH TBLS	REGENCY C
Pre-Conference Breakout #1	MEETING	08:00 AM - 05:00 PM	100	SCHLRM-18 INCH TBLS	REGENCY B
Pre-Conference Breakout #1	MEETING	08:00 AM - 05:00 PM	100	SCHLRM-18 INCH TBLS	REGENCY A
OFFICE	OFFICE	08:00 AM - 06:00 PM	10	EXISTING	CAPITOL BOARD ROOM
BOARD MEETING LUNCH	LUNCH BUFFET	12:30 PM - 01:00 PM	40	U SHAPE	CAPITOL VIEW 15TH FLOOR
Event Date: Wednesday, 01-Feb-2023					
OFFICE	OFFICE	08:00 AM - 06:00 PM	10	EXISTING	CAPITOL BOARD ROOM
Event Date: Thursday, 02-Feb-2023					
OFFICE	OFFICE	08:00 AM - 06:00 PM	10	EXISTING	CAPITOL BOARD ROOM
Event Date: Friday, 03-Feb-2023					
OFFICE	OFFICE	08:00 AM - 06:00 PM	10	EXISTING	CAPITOL BOARD ROOM

Number of Events: 10

Signature: _____

Bkng#: 26399739

10



Audio Visual Production Policies & Guidelines

PSAV is the Hyatt Regency Sacramento's preferred audio visual equipment and services provider. Hyatt recommends the utilization of PSAV for all audio visual services, including a large inventory of lighting trusses, chain motors, intelligent lighting, high speed internet services, power, and sound systems.

PSAV may be contacted directly at 916.448.5697

OUTSIDE AUDIO VISUAL PRODUCTION COMPANIES

While PSAV is the Hyatt's preferred audio visual partner, you have a choice of utilizing another audio visual supplier. Should you select another supplier, please be advised that there are service standards and fees that must be followed in order for them to conduct business with the Hyatt Regency Sacramento. ***Please advise your dedicated Hyatt Event Manager, or primary group contact, upon selection of an outside audio visual company.***

- A PSAV liaison will be assigned to your program at prevailing rates: \$400 flat rate fee per day. (Additional charges may apply if the liaison call is beyond four (4) hours).
PSAV Liaison will be responsible for the following:
 - Overseeing all load-in/load-out activities within the meeting and convention space.
 - Acting as the point of contact for unforeseen production needs.
 - Ensuring that standards and policies of the hotel are followed.
 - Assisting with pre-event consultation and provide any last minute assistance or emergency support.
- PSAV is the exclusive rigging provider and must approve all rigging layouts and setups requiring ground supported equipment at or above eight feet in elevation. This will require a PSAV liaison to supervise as stated above. (See rigging section below)
- Programs that are more extensive may require the use of two or more PSAV liaisons. A complete schedule of activities must be submitted by the outside supplier no later than fourteen (14) prior to event load-in. If submitted after this deadline, additional charges may apply.
- Only PSAV is authorized to access secured areas (above ballroom ceilings, storerooms, server rooms, balconies, back hallways, etc.). Outside suppliers wishing to use such space must get approval in advance.

OUTSIDE SUPPLIER CHARGES/ PAYMENT

The supplier must establish billing for miscellaneous charges no less than thirty (30) days prior to load-in. Billing options include credit card authorization or authorized group master billing. Arrangements can be made with the Event Planning or Event Sales contact.

RIGGING

All rigging performed within the meeting space will be designed, installed, and removed exclusively by PSAV. A representative of PSAV must complete all connections to structural steel or hang points. All rigging equipment will be supplied or inspected exclusively by PSAV. ***Absolutely no hanging of any type from operable air wall tracks, pipes, or sprinkler heads will be allowed.***

- All charges will be posted to the master account of the in-house group. Please
 - For Rigging Rates, please contact a PSAV provider at 916-448-5697
- All rigging requests are to be directed to the PSAV Advance Rigging website at <http://www.psav.com/riggingform/> no later than twenty-one (21) days in advance of the event in order to avoid delays and additional charges.
- CAD layouts must be submitted twenty-one (21) days in advance as a .dwg file with all original layers intact, based on our official rigging plots with weight loads indicated in the diagram. A separate rate schedule indicating specific equipment loads and locations for each rigging point as a reference must also be provided twenty-one (21) days in advance to confirm weight calculations.
- Failure to submit rigging requirements by the deadline may result in the assessment of additional fees and delayed approvals.

LIFTS/SCAFFOLDING

- The use of Hyatt owned lifts is permitted if a lift certified PSAV employee is operating the machine. All other scissor lifts must be rented and insured on your own.
- Lifts that have been rented for rigging will be removed once the rigging is complete unless the outside supplier states the need for it to remain the rest of the day. Charges for damage incurred will be assessed to the outside supplier.

- All scaffolding must have jack feet attached. Bare piping is not allowed on any scaffolding surfaces. Pallet jacks, lifts, scaffolding, or any other heavy equipment are not to be placed or driven on any dance floors or risers at any time.
- The use of hotel ladders is strictly prohibited.

POWER

PSAV is the exclusive provider of all power at the Hyatt Regency Sacramento. If you are utilizing an outside provider a mandatory electrical tie in/tie out fee is charged at the following rates:

- Individual ballroom sections (A,B,C,D,E,F) will require a minimum of a three phase 20amp power drop at \$215.00 per room per day (i.e. Regency Ballroom A is \$215.00)
- Half of the ballroom (ABC or DEF) will require a minimum of a three phase 60amp power drop at \$815.00 per day
- Full ballroom power will require a minimum of a three phase 100amp power drop at \$925.00 per day

The outside provider must notify PSAV where they would like the power drop located no later than (7) business days prior to the event. All power is subject to taxes and other fees. Additional power requests may be ordered through PSAV. All outside vendors must fill out a power request form which will be sent out (14) days prior to the event.

IN-HOUSE SOUND SYSTEMS

To maintain the integrity of the in-house audio system, outside suppliers may patch into the system at a fee of \$350.00 per room or \$600.00 for the entire Ballroom.

- PSAV must approve the use of all RF and UHF frequencies to be used at the Hyatt Regency Sacramento. If there is a conflict, the outside supplier must make arrangements to utilize other frequencies.
- No more than (3) devices may be plugged into the mixer at any time and no music will be permitted.
- No musical instruments or DJ's will be allowed to patch directly into the house sounds system.

LIGHTING

- Permanent lighting may not be altered in any way, including lamps
- All theatrical lighting must be UL listed for indoor use
- All lighting equipment is subject to inspection by a representative of PSAV
- Access to any electrical breaker or disconnect is strictly prohibited

PIPE & DRAPE/TECH DRAPE

- A full twelve (12) inches must be maintained between drape hardware and the ceiling
- A full twenty-four (24) inches must be maintained between drape hardware and any facility feature such as walls, moldings, wall sconces, etc.
- All drapery must be supported by free-standing pipe and drape uprights and not attached in any way to facility walls, moldings, ceilings, etc.
- All upright bases must be secured with sandbags
- All drapery systems must make allowances for service entrances per your Hyatt Event Manager
- Tech drape must be used for all front of house tech stations the hotel does not have linens for its tables.
- Drapes that are in the Regency Ballroom Foyer should not block the doors, emergency exits, or fire alarms

STRUCTURE

To preserve the integrity of the staging area, flooring, walls and ceiling, it is strictly prohibited to nail, screw, or tape anything to these areas.

- **TAPE:** Only cloth black gaffers tape will be permitted on hotel floors. It is not permitted to tape anything on baseboards, doors, or door jam.
- **BANNERS:** PSAV will hang banners from appropriate hang points or drape in meeting rooms; fee will apply. Personnel lift charges may also apply. All signage must be professional in nature and be approved by the hotel.
- **NOISE:** Hotel retains the right to require the immediate cessation or reduction of noise determined to be a nuisance or otherwise interfering with the enjoyment of the hotel by guests or other groups. Such noise is to be determined by the hotel and its liaisons, and includes but is not limited to: music for setup/tear down crews, offensive or profane speech or music at any time, excessive volume testing interfering with other functions in proximity, etc.

ROOM SET STANDARDS

Room sets must consist of screens with at least a bottom dress skirt or spandex, carts, and speaker stands being skirted, the front and side draping of all technician stations. The use of black extension cords and XLR that run only against the walls at 90 degree angles to their resting points and taped with beige tape to match the carpeting of the room.

All extension cords must be 12/3 gauge per the California Fire Code. All cords and wires must be taped down and covered safely. When it is necessary to run cords or cables in any area where personnel or guests may travel, including service areas, cables must be taped down with black tap.

INDEMNIFICATION AND INSURANCE

Group/client shall defend, indemnify and hold harmless the hotel from and against all claims, actions, causes of action, or liabilities, including reasonable attorney's fees, arising out of or resulting from any act undertaken or committed by group/client or any contractors hired or engaged by the group/client in connection with the performance of group/client's obligations. Group/client also agrees to defend, indemnify, and hold harmless the hotel from any liability resulting from any claim, action, or cause of action, which may be asserted by third parties arising out of the performance of group/client's obligations pursuant to this agreement, exact those actions which are due to the misconduct of the hotel.

It is required to present your Hyatt Event Manager or primary group contact with a certificate of insurance at least forty-five (45) days prior to the arrival of the outside supplier, evidencing minimum limits of **\$3,000,000** combined single limits and will name the Hyatt Regency Sacramento and its ownership as additional insurers. It is also required for the outside supplier to provide a certificate of insurance evidencing Worker's Compensation and Employers Liability coverage in effect for its employees.

HOLD HARMLESS AGREEMENT

The contractor agrees to the fullest extent permitted by law, to protect, indemnify, defend and hold harmless The Hyatt Regency Sacramento, affiliated and subsidiary from all claims, damages, losses and expenses, howsoever the same may be caused by reason of any suit, claim, demand, judgement, or cause of action initiated by any person arising or alleged to have arisen directly or indirectly out of the performance of the work by Contractor.

EVENT SERVICE STANDARDS

I, the undersigned, have received a copy of the Event Service Standards for outside audio visual service suppliers. I have read and understood the information contained within. I acknowledge that if PSAV is not used as the supplier of our event technology services, the charges listed in this Event Service Standards may be billed to my master account.

Date: _____

Agreed and accepted: _____

Authorized group representative: _____

Third party supplier/Contracted vendor: _____

The Hyatt Regency Sacramento appreciates your cooperation and compliance with the above guidelines.



GROUP SALES AGREEMENT

Date Prepared: Friday, April 12, 2019
Revised: October 11, 2019

DESCRIPTION OF GROUP AND EVENT

The following represents an agreement between CIM/J Street Hotel Sacramento, Inc. d/b/a Sheraton Grand Sacramento Hotel, 1230 J Street, Sacramento, CA 95814, 916-447-1700, and California Society of Municipal Finance Officers (CSMFO).

ORGANIZATION: California Society of Municipal Finance Officers (CSMFO)
CONTACT:

Name: Teri Anticevich, CMP
Job Title: Meeting Coordinator
Street Address: 700 R Street Ste 200
City, State, Postal Code: Sacramento, CA 95811-6415
Country/Region: USA
Phone Number: (951)780-7997
E-mail Address: teri.anticevich@staff.csmfo.org

NAME OF EVENT: CSMFO 2023 Annual Conference
REFERENCE #: M-ERNUXE9
OFFICIAL PROGRAM DATES: Sunday, 01/29/2023 - Saturday, 02/04/2023

GUEST ROOM COMMITMENT/GROUP ROOM RATES

The Hotel agrees that it will provide, and California Society of Municipal Finance Officers (CSMFO) agrees that it will be responsible for utilizing, 1,095 room nights in the pattern set forth below (such number and such pattern, the "Room Night Commitment"):

	Sun, 1/29/2023	Mon, 1/30/2023	Tue, 1/31/2023	Wed, 02/01/2023	Thu, 02/02/2023	Fri, 02/03/2023	Total
Traditional King	9	15	179	243	218	1	665
Traditional Double	8	12	78	104	94	1	297
Grand Suite	1	1	1	1	1	1	6
One Bedroom Suite	2	2	2	2	2	2	12
Club Level Room	0	15	15	15	15	11	71
Staff Rooms	0	10	10	10	10	4	44
Room Block Total	20	55	285	375	340	20	1095

GROUP ROOM RATES

Based upon California Society of Municipal Finance Officers (CSMFO)'s total program requirements as outlined in this agreement, Hotel confirms the following group rates (net of all taxes):

Rooms	Single Rate	Double Rate	Triple Rate	Quad Rate
Traditional King	\$209	\$209	\$234	\$259
Traditional Double	\$209	\$209	\$234	\$259
One Bedroom Suite	\$209	\$209	\$234	\$259
Club Level Room	\$209	\$209	\$234	\$259
Staff Rooms	\$157	\$157	\$182	\$207

Hotel room rates are subject to applicable state and local taxes (currently 12%) Occupancy Tax, (0.3%) CA Tourism Marketing Assessment and (3%) STMD) in effect at the time of check-out.

SPECIAL CONCESSIONS

In consideration of the Room Night Commitment and the functions identified on the Function Information Agenda/Event Agenda, Hotel will provide Account with the following special concessions:

- 1 Complimentary room for every 40 guest rooms (on cumulative basis) occupied by Group
- 2 One Bedroom Suite Upgrade
- Up to 15 Club Level Upgrade
- 18 Complimentary VIP Amenities (\$25.00 Value)
- Complimentary Internet in Guestrooms
- Up to 10 Complimentary receiving of boxes; excludes pallets
- Complimentary meeting rental for up to 20 ppl each year; upon availability (2020, 2021, 2022)
- There will be no charge for pens, pads, or candies in rooms set classroom style.
- There will be no charge for water stations, in any meeting rooms.
- Hotel will provide complimentary easels for signage placement outside of each meeting room, and in other areas designated by the Group (such as registration areas, exhibit areas, etc.), not to exceed the Hotel's inventory.
- Double Marriott Rewards for Meeting Planner
- Group rate available three days pre/post based on availability
- 18 Complimentary Valet Parking Passes; for overnight registered guests.
- No additional labor fees applied for meal functions with less than 20 people (small party).

COMPLIMENTARY SUITES

Hotel will provide the following complimentary suites over and above its normal complimentary policy:

Suite	# of Bedrooms	Arrival Date	Departure Date
The Grand Suite	1	Sunday, Jan 29, 2023	Saturday, Feb 04, 2023

STAFF ROOMS

Hotel will set aside up to 10 Staff Rooms to be assigned by California Society of Municipal Finance Officers (CSMFO) to staff at a 25% discounted rate or \$157.00 from Sunday – Saturday during the Event. Staff rooms are net non-commissionable and not applicable towards complimentary rooms earned.

COMMISSION

The group room rates listed above include a commission of seven percent (7%) on all utilized room nights, excluding anything packaged into the rate such as internet, resort fee, rebate, or any other miscellaneous charges, and any rooms discounted off California Society of Municipal Finance Officers 's room rate, payable to Meeting & Association Management Services, Inc., with the IATA number #05702012. Commission payment will be processed forty-five (45) days after California Society of Municipal Finance Officers 's departure date. Hotel reserves the right to deduct from any future commission payable to Meeting & Association Management Services, Inc. for other events, any commission paid in connection with this Event, if the Master Bill is not paid in full within six (6) months after the conclusion of the Event. Hotel and California Society of Municipal Finance Officers agree that the commission for the booking of this Event is non-cancelable and non-transferable to any other party. Hotel will not be liable for any commission fee to any other entity.

REBATES

The Rates reflect a rebate payable to Group of **\$10.00** for each occupied guest room night paid for at the full Group Rate to help offset the cost of convention center rental the Group is providing to its members. No rebate will be paid for staff rooms or for rooms reserved outside the Room Block. Payment or credit for any rebate will only be made after satisfactory settlement of Group's Master Account.

METHOD OF RESERVATIONS

Group's staff/VIP reservations will be made by rooming list only. The complete staff/VIP list is required by **January 09, 2023**, and must include a clear listing of names, arrival/departure dates and types of accommodations desired for each individual. In addition, the rooming list must assign individuals to any additional concessions provided by the Hotel (i.e., staff rooms, room upgrades) or such concessions will be released. All reservations made by rooming list will be guaranteed for arrival to the Master Account.

Group will advise all other attendees to make guest room reservations either on-line using the ResLink Direct website or by calling Sheraton's Central Reservation Office at 1-800-325-3535 on an individual basis and identifying themselves as members of the Group or Group event.

GUARANTEED RESERVATIONS

All reservations must be accompanied by a first night room deposit or guaranteed with a major credit card or by California Society of Municipal Finance Officers (CSMFO). Hotel will not hold any reservations unless secured by one of the above methods.

LOWEST GROUP RATE

Hotel agrees that the group room rate provided to California Society of Municipal Finance Officers (CSMFO) will be no higher than the group room rate provided to any other comparable group business over the following dates: Tuesday, January 31 – Thursday, February 02. For purposes of this paragraph, "comparable group business" means group business that, when compared to California Society of Municipal Finance Officers (CSMFO)'s Event: (a) is of equal or lesser anticipated revenue (both from rooms and food and beverage); (b) has a similar room night pattern and is booked entirely in the same Hotel season; and (c) is booked a similar amount of time in advance. It does not include group business that involves significantly different special terms or conditions, nor business with groups whose room rates are based in part on a longer-term business arrangement.

CUT-OFF DATE

Reservations by attendees must be received on or before **Monday, January 9, 2023**, (the "Cut-Off Date"). At the Cut-Off Date, Hotel will review the reservation pick up for the Event, release the unreserved rooms for general sale

Any attendee making a reservation after this date will receive the group rate as long as standard rooms are available in the hotel, and even if the block is sold out. Rooms booked after the cut-off date, regardless of rate, will be credited to the group's pick up and commissionable.

RELOCATION

In the event that the Hotel is overbooked during a portion of the Group's stay, and any of the Group's attendees are "walked," the Hotel will:

- Inform the Group's main contract as soon as possible to prioritize group attendees that are walked.
- Obtain, at no charge to the walked guest, a room at an equivalent or better hotel as close as possible to the hotel.
- Provide at no cost or reimburse for transportation to/from the substitute hotel and functions
- The displaced guest shall have a priority reservation for the first available room at the Hotel if the displaced guest does wish to move back to the original property.
- Keep a listing so that anyone who calls for the walked guest can be referred to the guest at the new hotel.
- Walked rooms will be counted towards the complimentary rooms at the original contract hotel, will be counted attrition purposes, and will be commissionable.
- No additional labor fees applied for meal functions with less than 20 people (small party).

REPORTS OF CONVENTION

Hotel agrees to provide Group a full report of convention which will include: Rooms actualized and reservation pace report starting at 90 days prior to cut off date, suite usage and double occupancy usage. This report should continue weekly on an agreed upon day.

Food and beverage recap of any affiliated events will be provided after event.

Any reports at the conclusion of the event will be provided to the Group within 30 days of departure. Failure by Hotel to provide this information within 30 days will delay payment of master bill.



HOTEL RATING/ STATUS/ CONDITION

Should the Hotel lose or allow the level to fall of its current AAA or Mobil rating as of the signing of this contract, the Group has the right to cancel this contract without penalty or opt for a percent reduction in room rate for each level the rating falls from its rating as of the signing of this contract.

The Hotel shall notify the Group promptly if there is a change in ownership or flag of Hotel prior to the meeting, and the Group shall have the right to cancel this agreement with written notice.

In the event the Hotel files for bankruptcy or if foreclosure occurs, the Hotel is obligated to inform the Group of this action, and the Group may then terminate this contract without liability.

NO ROOM TRANSFER BY GUEST

California Society of Municipal Finance Officers (CSMFO) agrees that neither California Society of Municipal Finance Officers (CSMFO) nor attendees of the Event nor any intermediary shall be permitted to assign any rights or obligations under this Group Sales Agreement, or to resell or otherwise transfer to persons not associated with California Society of Municipal Finance Officers (CSMFO) reservations for guestrooms, meeting rooms or any other facilities made pursuant to this Group Sales Agreement.

DEPOSITS

Non-refundable first night's room and tax deposit is due with reservation. All cancellations will forfeit this deposit regardless of cancellation timeframe. Name changes are allowed as long as the deposit stays with the reservation. No change and/or cancellation within 14 days of arrival. Cancellations within 14 days will forfeit the entire length of stay. Any deposits retained by the hotel will be counted for attrition purposes and commissionable. Any deposits not needed for attrition purposes will be returned to the organization in the form of a credit to the master account (or a check if no master account is set up).

MASTER ACCOUNT

Hotel must be notified in writing at least 60 days prior to arrival of the authorized signatories and the charges that are to be posted to the Master Account. Any cancellation or attrition fees will be billed to the Master Account.

METHOD OF PAYMENT

The method of payment of the Master Account will be established upon approval of California Society of Municipal Finance Officers (CSMFO) credit. If credit is approved, the outstanding balance of California Society of Municipal Finance Officers (CSMFO) Master Account (less any advance deposits and exclusive of disputed charges) will be due and payable upon receipt of invoice.

California Society of Municipal Finance Officers (CSMFO) will raise any disputed charges within 45 days after receipt of the invoice. The Hotel will work with California Society of Municipal Finance Officers (CSMFO) in resolving any such disputed charges, the payment of which will be due upon receipt of invoice after resolution of the dispute. If payment of any invoice is not received within thirty (30) days of the date on which it was due, Hotel will impose a finance charge at the rate of 1-1/2% per month (18% annual rate) on the unpaid balance commencing on the invoice date.

California Society of Municipal Finance Officers (CSMFO) has indicated that it has elected to use the following form of payment:

- ☐ Cash, money order, or other guaranteed form of payment
- ☐ Credit card (We accept all major credit cards)
- ☐ Company check or Electronic Funds Transfer

In the event that credit is not approved, California Society of Municipal Finance Officers (CSMFO) agrees to pay an advance deposit in an amount to be determined by the Hotel in its reasonable discretion, with the full amount due prior to the start of the group's event.

PAYMENT BY CREDIT CARD OR COMPANY CHECK

If California Society of Municipal Finance Officers (CSMFO) wishes to pay any portion of its obligation by credit card or company check, the credit card information must be entered into our secure online web-site.

Prior to the execution of this agreement California Society of Municipal Finance Officers (CSMFO) shall provide hotel with credit card authorization information. A Credit Card Information Request e-mail will be sent to the e-mail address provided by California Society of Municipal Finance Officers (CSMFO).

This process must also be followed if direct billing has not been approved and the Master Account charges will be paid by credit card or company check.

California Society of Municipal Finance Officers (CSMFO) agrees that the Hotel may charge to this credit card any payment as required under this Group Sales Agreement.

BILLING ARRANGEMENTS

The following billing arrangements apply:

	Customer Pays	Guest Pays
Attendees Room & Tax (including taxes and automatic or mandatory charges):		x
Staff and VIPs Room & Tax (including taxes and automatic or mandatory charges):	x	
Incidental charges:		x
Event Food & Beverage (including taxes, service charges, and administrative charges):	x	
Room Rental:	x	

FUNCTION INFORMATION AGENDA/EVENT AGENDA

Based on the requirements outlined by California Society of Municipal Finance Officers (CSMFO), the Hotel has reserved the function space set forth on the below Function Information Agenda/Event Agenda.

Date	Day	Start Time	End Time	Function Type	Setup	# People	Function Space
01/31/2023	Tue	7:00 AM	5:00 PM	Registration	Registration	2	Main Lobby
01/31/2023	Tue	8:00 AM	5:00 PM	Meeting	Schoolroom	100	Gardenia
01/31/2023	Tue	8:00 AM	5:00 PM	Meeting	Schoolroom	75	3 rd Floor All Space
01/31/2023	Tue	8:00 AM	5:00 PM	Board Meeting	Schoolroom	40	Beavis

All meeting room, food and beverage, and related services are subject to applicable taxes (currently 8.25%) and service charge (currently 25%) in effect on the date(s) of the event.

DAMAGE TO FUNCTION SPACE

California Society of Municipal Finance Officers (CSMFO) agrees to pay for any damage to the function space that occurs while California Society of Municipal Finance Officers (CSMFO) is using it. California Society of Municipal Finance Officers (CSMFO) will not be responsible, however, for ordinary wear and tear or for damage that it can show was caused by persons other than California Society of Municipal Finance Officers (CSMFO) and its attendees.

FACILITY FEES

Based on California Society of Municipal Finance Officers (CSMFO)'s requirements, Hotel's function space fees would be \$6,000.00. Based upon the Room Night Commitment and the functions identified on the Function Information Agenda/Event Agenda outlined in this Agreement, the Hotel will waive these fees.

AUDIO VISUAL SERVICES

While it is understood that the Hotel may have a preferred provider for audio visual services, the Group agrees to allow the preferred provider to bid on any audio visual or computer needs, but the Group is not required to use such equipment or services. The Hotel will not charge any additional fees as penalty, surcharge or service charges for not using the on-site AV provider, and will not require specific technical or electrical services unless determined at the time of this contract.

Hotel will provide all standard electrical outlets at no charge to group, including no labor fees on complimentary electrical outlets.

Rates for on-site provider services which cannot be ordered from an outside AV company are Rigging, IT, and Power. Waived rigging fees, waived power and rigging equipment fees on set up days. Group will pay for power and rigging equipment fees only on show days.

20% reduction in pricing for Power drops over and above standard electrical outlets.

No meeting room turn labor fees for up to two turns per day (with 48-hour notice) as long as it is on BEO

No additional dock load in/out fees will apply.

ROOM & SPACE BLOCK REVIEW

Group and Hotel will review the Room Block and event space commitments on or before the following dates:

a. February 07, 2022

As part of this review, Group will provide Hotel with its history (e.g., room block pick up and food and beverage revenue held at all hotels) for the same event held between the Agreement Date and the January 2023. Based on the review, the parties may mutually agree in writing to adjustments to the Room Block or the event space commitment.

ROOMS ATTRITION (Attrition - rooms resold)

Hotel is relying upon California Society of Municipal Finance Officers (CSMFO)'s use of the Room Night. California Society of Municipal Finance Officers (CSMFO) agrees that a loss will be incurred by Hotel if California Society of Municipal Finance Officers (CSMFO) fails to fully utilize the Room Night Commitment. Therefore, if California Society of Municipal Finance Officers (CSMFO) fails to fully utilize the Room Night Commitment, California Society of Municipal Finance Officers (CSMFO) agrees to pay, as liquidated damages and not as a penalty, the following amount:

The Room Night Commitment, less California Society of Municipal Finance Officers (CSMFO)'s actual usage of the Room Night Commitment (excluding pre- and post- night), with the result multiplied by the average group rate (excluding staff and or complimentary rooms), plus applicable taxes. From this amount, the hotel will subtract credit for rooms resold, in accordance with the following formula: no room shall be deemed to have been resold on any night unless and until the Hotel first sells all rooms outside of the contracted room block that night. As to any rooms that were within the group's contracted block that were resold, the Hotel will multiply the number of rooms resold each night by the group's average contracted room rate (excluding staff and or complimentary rooms). The resulting amount, minus twenty percent, which the parties agree represents the Hotel's minimum costs associated with its attempts to resell the rooms, will be the amount of credit for rooms resold to which the group is entitled on the night in question.

CANCELLATION

In the event of a group cancellation occurring 0 to 3 business days prior to arrival, liquidated damages in the amount of one hundred percent (100%) of the Room Night Commitment will be due, plus applicable taxes.

In the event of a group cancellation occurring 4 business days to 90 days prior to arrival, liquidated damages in the amount of ninety percent (90%) of the Room Night Commitment will be due, plus applicable taxes.

In the event of a group cancellation occurring 91 to 180 days prior to arrival, liquidated damages in the amount of eighty percent (80%) of the Room Night Commitment will be due, plus applicable taxes.

In the event of a group cancellation occurring 181 to 365 days prior to arrival, liquidated damages in the amount of seventy percent (70%) of the Room Night Commitment will be due, plus applicable taxes.

In the event of a group cancellation occurring between the time of acceptance of this contract and 366 days prior to arrival, liquidated damages in the amount of twenty-five percent (25%) of the Room Night Commitment will be due, plus applicable taxes.

MITIGATION FOR CANCELLATION

Hotel will attempt to resell the rooms in your block and refund to the Group any revenue collected by the Hotel for resold rooms over the meeting dates.

RE-BOOKING

If Group cancels this Agreement, the payment outlined above is due upon cancellation. However, if Group is able to reschedule an event within twelve (12) month of cancellation with revenue equal to or larger than the revenue of the original event, Hotel will credit 50% of the amount of the cancellation monies towards the new event.

CANCELLATION BY HOTEL

In the event of a cancellation of this agreement by the Hotel not otherwise permitted under this agreement, the Hotel shall pay Group for all direct, indirect and consequential damages, expenses, attorney's fees, and costs incurred by Group on account of such cancellation including, but not limited to, staff time and travel expenses to secure an alternate location for the event, incremental room rate and air fare differential, function space rental, and air fare differences, and long distance telephone, postage and printing costs.

ADDITIONAL SURCHARGES/ SURCHARGES

Neither Group nor its attendees will be responsible for paying any taxes or additional surcharges, gratuities, resort fees, or service fees not included in this Agreement unless required by law. Hotel will inform Group of any changes in tax rate or type that will affect Group and its attendees after the signing of this contract.

RENOVATION/ CONSTRUCTION

Hotel shall promptly notify Group of any plans for renovation or construction Immediately prior to or over the meeting dates, including target dates for completion, scope of renovation/construction, and what steps will be taken to ensure that the project will not have a negative impact on the convention/meeting. If renovation/construction is deemed by Group to be disruptive to the success of the meeting by reducing the number of sleeping rooms or meeting space or size of meeting space in the host facilities, the Group may, without liability, elect to cancel the contract.

ALCOHOL LIABILITY

At all functions that are catered by the hotel where alcohol is served, Hotel shall be responsible for exercising reasonable care in its service of alcohol to attendees. Hotel shall be responsible for adhering to state laws regulating the sale and service of alcoholic beverages and shall not serve alcohol to attendees that are either noticeably intoxicated or underage.

Hotel shall indemnify, defend, and hold harmless Client, its directors, officers, employees, agents and members from and against any and all losses, damages, claims, expense and liabilities of any kind, including costs of defense

DISABILITIES ACT COMPLIANCE

Responsibility for compliance with the Americans with Disabilities Act ("ADA") shall be allocated as follows:

Hotel shall be responsible for compliance with the ADA with respect to:

- a. Hotel's policies, practices and procedures
- b. The provision of auxiliary aids and services in areas of Hotel other than those designated for the exclusive use of or within the control of Organization
- c. Architectural, communications and transportation barriers in Hotel, other than barriers created by or within control of Organization, its employees or agents.

Organization shall be responsible for compliance with the ADA with respect to:

- a. Organization's policies, practices and procedures;
- b. The provision of auxiliary aids and services in areas designated for the exclusive use of or within the control of Organization, including Organization's meeting space
- c. Architectural, communications and transportation barriers created by or within the control of Organization, its employees or agents.

Each party agrees to indemnify and hold the other harmless from all expenses in the event that any legal action, claim, demand, suit or proceeding is filed against the indemnified party alleging that the facilities or services provided by the indemnifying party failed to comply with the applicable provisions of the ADA.

SAFETY/ SECURITY

Hotel represents and warrants that it shall comply during the Meeting Period with all federal, state and local fire, safety and building codes.

Hotel warrants that it meets the requirements of the fire prevention and control guidelines described in section 29 of the federal Fire Prevention and Control Act of 1974 (15 U.S.C. §2225).

Hotel further warrants that it will maintain during the Meeting Period all appropriate measures to protect the person or property of Organization, its employees and meeting attendees from loss or injury. At all times during the Meeting Period, Hotel shall have on its premises at least one (1) person trained in cardio-pulmonary resuscitation (CPR) and at least one (1) automated external defibrillator in good working order for use in cardiac and other emergencies.

IMPOSSIBILITY

The performance of this Agreement is subject to termination without liability upon the occurrence of any circumstance beyond the control of either party – such as acts of God, war, acts of terrorism, government regulations, disaster, strikes, civil disorder, or curtailment of transportation facilities – to the extent that such circumstance makes it illegal or impossible for the Hotel to provide, or for groups in general to use, the Hotel facilities. The ability to terminate this Agreement without liability pursuant to this paragraph is conditioned upon delivery of written notice to the other party setting forth the basis for such termination as soon as reasonably practical - but in no event longer than ten (10) days - after learning of such basis.

COMPLIANCE WITH LAW

This Agreement is subject to all applicable federal, state, and local laws, including health and safety codes, alcoholic beverage control laws, disability laws, federal anti-terrorism laws and regulations, and the like. Hotel and California Society of Municipal Finance Officers (CSMFO) agree to cooperate with each other to ensure compliance with such laws.

CHANGES, ADDITIONS, STIPULATIONS, OR LINING OUT

Any changes, additions, stipulations or deletions including corrective lining out by either Hotel or California Society of Municipal Finance Officers (CSMFO) will not be considered agreed to or binding on the other unless such modifications have been initialed or otherwise approved in writing by the other.

DISPUTE RESOLUTION

In the event of dispute resolution, the non-prevailing party will pay the other's costs and attorney's fees.

LIQUOR LICENSE

California Society of Municipal Finance Officers (CSMFO) understands that Hotel's liquor license requires that beverages only be dispensed by Hotel employees or bartenders. Alcoholic beverage service may be denied to those guests who appear to be intoxicated or are under age.

PRIVACY

Marriott International, Inc. ("Marriott") is committed to complying with obligations applicable to Marriott under applicable privacy and data protection laws, including to the extent applicable EU data protection laws. Hotel shall comply with the then-current Marriott Group Global Privacy Statement (the "Privacy Statement," currently available at <http://www.marriott.com/about/privacy.mi>) with respect to any personal data received under this Agreement.

Without limiting the foregoing obligation, Hotel has implemented measures designed to: (1) provide notice to individuals about its collection and use of their personal data, including through the Privacy Statement; (2) use such personal data only for legitimate business purposes; (3) provide means by which individuals may request to review, correct, update, suppress, restrict or delete or port their personal data, consistent with applicable law; (4) require any service providers with whom personal data is shared to protect the confidentiality and security of such data; and (5) use technical and organizational measures to protect personal data within its organization against unauthorized or unlawful access, acquisition, use, disclosure, loss, or alteration.

California Society of Municipal Finance Officers (CSMFO) will obtain all necessary rights and permissions prior to providing any personal data to Hotel, including all rights and permissions required for Hotel, Hotel affiliates, and service providers to use and transfer the personal data to locations both within and outside the point of collection (including to the United States) in accordance with Hotel's privacy statement and applicable law. Notwithstanding any other provision, Hotel may use an individual's own personal data to the extent directed by, consented to or requested by such individual.

IN-HOUSE EQUIPMENT

Hotel will provide, at no charge, a reasonable amount of meeting equipment (for example, chairs, tables, chalkboards, etc.). These complimentary arrangements do not include special setups or extraordinary formats that would deplete Hotel's present in-house equipment to the point of requiring rental of an additional supply to accommodate California Society of Municipal Finance Officers (CSMFO)'s needs. If such special setups or extraordinary formats are requested, Hotel will present California Society of Municipal Finance Officers (CSMFO) two (2) alternatives: (1) charging California Society of Municipal Finance Officers (CSMFO) the rental cost for additional equipment, or (2) changing the extraordinary setup to a standard format, avoiding the additional cost.

UNATTENDED ITEMS/ADDITIONAL SECURITY

The Hotel cannot ensure the security of items left unattended in function rooms. Special arrangements may be made with the Hotel for securing a limited number of valuable items. If California Society of Municipal Finance Officers (CSMFO) requires additional security with respect to such items or for any other reason, the Hotel will assist in making these arrangements. All security personnel to be utilized during the Event are subject to Hotel approval.

USE OF OUTSIDE VENDORS

If California Society of Municipal Finance Officers (CSMFO) wishes to hire outside vendors to provide any goods or services at Hotel during the Event, California Society of Municipal Finance Officers (CSMFO) must notify Hotel of the specific goods or services to be provided and provide sufficient advance notice to the Hotel so that the Hotel can (i) determine, in Hotel's sole discretion, whether such vendor must provide Hotel, in form and amount reasonably satisfactory to Hotel, an indemnification agreement and proof of adequate insurance, and (ii) approve, using reasonable judgment, the selection of the outside vendor and the goods or services to be provided by such outside vendor to California Society of Municipal Finance Officers (CSMFO), taking into consideration: (a) whether Hotel offers such goods and services; (b) the risk level posed by certain activities; and (c) the safety and well-being of guests at Hotel.

PERFORMANCE LICENSES

California Society of Municipal Finance Officers (CSMFO) will be solely responsible for obtaining any necessary licenses or permission to perform, broadcast, transmit, or display any copyrighted works (including without limitation, music, audio, or video recordings, art, etc.) that California Society of Municipal Finance Officers (CSMFO) may use or request to be used at the Hotel.

MARRIOTT BONVOY EVENTS

Marriott Bonvoy Events provides Points or Miles to eligible Marriott Bonvoy Members who book and hold qualifying meetings and events at Participating Properties.

Approximately ten (10) business days after the conclusion of the Event (provided that the Event is not cancelled and California Society of Municipal Finance Officers (CSMFO) has otherwise complied with the material terms and conditions of this Agreement), the Hotel will award Points or Miles to the Member and relevant account identified below. By inserting the airline frequent flyer account information, the recipient elects to receive Miles instead of Points.

Marriott Bonvoy Events is not available in certain circumstances, including (1) for any government employee or official booking a government event (U.S. government event or non-U.S. government event); (2) for any employee of a state-owned or state-controlled entity ("SOE") booking an event on behalf of the SOE; or (3) for any other planner or intermediary when booking an event on behalf of a non-U.S. governmental entity or SOE. Hotels in the Asia Pacific region are restricted from awarding Points or Miles to any intermediary booking an event on behalf of any governmental entity or SOE.

GROUP MUST CHECK **ONE** OPTION BELOW:

- ☐ The Contact (as identified on page 1 of this Agreement or the Authorized Signer of this Agreement) is eligible to receive Points or Miles.

Member Name Teri Anticevich

Marriott Bonvoy Membership Number 386 349 468

*If Miles are desired instead of Points, please also provide:

Participating airline name _____

Participating airline frequent flyer account number _____

OR

- ☐ The Contact (as identified on page 1 of this Agreement or the Authorized Signer of this Agreement) declines or is not eligible to receive Points or Miles and hereby waives the right to receive Points or Miles in connection with the Event.

The individual identified above to receive either Points or Miles may not be changed without such individual's prior written consent. The number of Points or Miles to be awarded shall be determined pursuant to the Marriott Bonvoy Terms and Conditions (the "Terms and Conditions"), as in effect at the time of award. All Marriott Bonvoy Terms and Conditions apply. The Terms and Conditions are available on-line at <https://www.marriott.com/loyalty/terms/default.mi> and may be changed at the sole discretion of Marriott International, Inc. at any time and without notice. Capitalized terms used in this section have the meanings given to them in the Terms and Conditions.

ACCEPTANCE

When presented by the Hotel to California Society of Municipal Finance Officers (CSMFO), this document is an invitation by the Hotel to California Society of Municipal Finance Officers (CSMFO) to make an offer. Upon signature by California Society of Municipal Finance Officers (CSMFO), this document will be an offer by California Society of Municipal Finance Officers (CSMFO). Only upon signature of this document by all parties will this document constitute a binding agreement. Unless the Hotel otherwise notifies California Society of Municipal Finance Officers (CSMFO) at any time prior to California Society of Municipal Finance Officers (CSMFO)'s execution of this document, the outlined format and dates will be held by the Hotel for California Society of Municipal Finance Officers (CSMFO) on a first-option basis until **November 15, 2019**. If California Society of Municipal Finance Officers (CSMFO) cannot make a commitment prior to that date, this invitation to offer will revert to a second-option basis or, at the Hotel's option, the arrangements will be released, in which case neither party will have any further obligations.

Upon signature by both parties, California Society of Municipal Finance Officers (CSMFO) and the Hotel shall have agreed to and executed this Agreement by their authorized representatives as of the dates indicated below.

SIGNATURES

Approved and authorized by California Society of Municipal Finance Officers (CSMFO).

Name: (Print) _____ Signature: _____

Title: (Print) _____ Date: _____

Approved and authorized by Hotel:

Name: (Print) Lynda Sagar Signature: _____

Title: (Print) Senior Sales Executive Date: _____



CSMFO BOARD REPORT

DATE: November 7, 2019

FROM: Margaret Moggia, Past President

SUBJECT: 2023 Conference Site Selection – Sacramento

On behalf of CSMFO, Meeting and Association Management Services (M&AMS) has negotiated the hotel and conference center agreements for the 2023 Annual conference. Sacramento was selected as the 2023 conference location based on availability, cost, and its ability to meet the growing needs of the CSMFO conference both in attendance and offerings. The selected dates are from January 29, 2023 to February 4, 2023 with the conference dates to be held from Tuesday (pre-conference) to Friday.

While the conference center adds additional costs, using the model of conference center and nearby hotels may be CSMFO's only viable options in the future. The 2021 Conference will also be held in the San Jose Convention Center and may be the only other choice for northern California locations. Our ability to fit in Oakland is no longer an option.

CSMFO last held a conference in Sacramento in 2017 where we utilized a portion of the convention center and also several rooms at the Hyatt Regency. However, the growth of the conference over the last few years, has resulted in us having to consider how to deliver a high-quality event in the Sacramento space.

Sacramento Convention Center	Conference general session, exhibit hall, concurrent sessions
Hyatt Regency Sacramento	Hotel room block and pre-conference sessions
Sheraton Grand Sacramento	Hotel room block

Location	Costs	Guaranteed Room Block	General Session
Sacramento Convention Center	\$74,315 ^(a)	n/a	2,500
Hyatt Regency	\$219/single occ	1,111	n/a
Sheraton Grand	\$209/single occ.	1,095	n/a

- (a) The convention center costs will be offset by a \$10 rebate per room per night from the hotels and resulting in an estimated credit of \$22,000 to CSMFO.

The Sacramento Convention Center is newly renovated and with the space we will utilize, the exhibit hall will have similar space to what we had in Palm Springs; giving us plenty of space for our sponsors. In addition, this allows us to have all conference activities under one roof which is certainly beneficial to the new Cvent system used to track attendance. On peak night, we should have 750 rooms which should be sufficient; however, if we need overflow hotels, there are other choices near the convention center.

While the approval today secures our location for the 2023 annual conference, there are the following commitments the Board should be aware of should we need to cancel in the future.

Hyatt Regency – required execution by November 15, 2019

1. From January 29, 2022 through first date of event - \$194,647.20 (80%)
2. From January 29, 2021 through first date of event - \$170,316.30 (70%)
3. From January 29, 2020 through first date of event - \$121,654.50 (50%)
4. From agreement signing through January 28, 2020 - \$60,827.50 (25%)

Sheraton Grand – required execution by November 15, 2019

1. Cancel 0-3 days prior to arrival (1/29/2023) – 100% (calculated as \$225,313)
2. Cancel 4-90 days prior to arrival – 90% (calculated as \$202,781.70)
3. Cancel 91-180 days prior to arrival – 80% (calculated as \$180,250.40)
4. Cancel 181-365 days prior to arrival – 70% (calculated as \$157,719.10)
5. Cancel between acceptance and 366 days prior to arrival – 25% (calculated as \$56,328.25)

Sacramento Convention Center – required execution by November 30, 2019

CSMFO is to pay deposits as follows:

1. November 30, 2019 - \$24,772
2. August 20, 2020 - \$24,772

3. July 22, 2022 - \$24,771

Recommendation:

That the Board of Directors authorizes the Executive Director to execute the agreements with Hyatt Regency Sacramento, Sheraton Grand Sacramento, and the Sacramento Convention Center for the 2023 Annual CSMFO Conference.

Attachments:

1. Hyatt Regency Sacramento Group Sales Agreement
2. Sheraton Grand Sacramento Group Sales Agreement
3. Sacramento Convention Center License Agreement



MEMBERSHIP COMMITTEE MINUTES

Date: Thursday, October 17, 2019
Time: 3:30 p.m.
Zoom Meeting: <https://zoom.us/j/926093293> or by phone +1 669 900 6833
Meeting ID: 926 093 293

In attendance: Zach, Allison, Craig, Derek, Grace, Jennifer, Marcus, Mark, Stephanie

Agenda Items

1. Membership renewal cycle
 - Grace to work with Zach on updating email notification to membership. Marcus to work with SMA staff on Communications to gather new member highlights for a December timeframe article. Derek and Grace to coordinate with Marcus.
2. CSMFO booth at the annual conference
 - Zach to share with us schedule of the exhibit hall. Grace to get a template of time slots from last year. Stephanie to create time slots for this year and reach out to leadership to staff the booth.
 - Jennifer to write blurb on CSMFO booth to advertise out on conference program/app.
 - “Ask the Leadership” feature
 - Ideas to draw foot traffic to booth:
 - Grace to reach out to Steve regarding drink tickets to hand out to first-time attendees who visit the booth
 - Photo opps – similar to the CSMFO booth at GFOA conference
 - Disney characters (if space allows)
 - Ideas on swag:
 - Cell phone ring holders, blue tooth speakers, pins
 - Committee consensus that pins are desirable. Grace to reach out to Melissa re: pins. Grace to reach out to Sarah in Recognition re: feedback on pins given to reviewers last year.
3. Next Meeting – Thursday, 11/21 at 3:30pm

**MINUTES OF THE
PROFESSIONAL STANDARDS COMMITTEE
Teleconference Meeting
Thursday, October 10, 2019
2:00 p.m. – 2:50 p.m.**



Conference Call Participants

Jason Al-Imam, City of Fountain Valley (Chair)
Christine Paras, City of Palo Alto (Vice Chair)
Carrie Corder, CVWD (Board Liaison)
Craig Boyer, County of Alameda (Senior Advisor)
Terry Madsen, ClearSource Financial
Scott Manno, RAMS
David Alvey, Maze & Associates
Tim Seufert, NBS
Jennifer Farr, Davis Farr
Carrie Tam, City of San Carlos
Heidi Schoeppe, Albert A. Webb Associates
Deborah Harper, LSL

1. Strategic Planning Session Recap

- Committee Chair Jason Al-Imam provided the Committee with an overview of the Strategic Planning Session that took place in October. The Committee also discussed ongoing CSMFO initiatives such as the Student Engagement Program, the potential for a Certification Program and cross-collaboration with other Committees.

2. Roundtable Discussion on Potential Topics of Interest for Committee Highlights

- Financial Management & Budgeting – the Committee plans to draft Committee Highlights on budget-related GFOA Best Practices in January 2020.
- Accounting and Financial Reporting – the Committee discussed the status of the GASB 84 White Paper that is being drafted by the CalCPA's Governmental Accounting and Audit (GAA) Committee. The GAA Committee met on October 3rd to review the draft White Paper and is continuing to work on California-specific issues related to OPEB Trusts. The White Paper is expected to be finalized later this year or early next year.
- Retirement and Benefits Administration – the Committee discussed a potential Committee Highlight on how investment returns, mortality and inflation affect pension costs. The Committee will revisit this topic in December.
- Treasury and Investment Management – Sarah Meacham (PFM) is working on a Committee Highlight related to a GFOA Best Practice that was released in September on Collateralizing Public Deposits. The Committee Highlight is expected to be published in November.
- Capital Finance and Debt Administration – the Committee discussed California Senate Bill 13 (SB 13), which limits development impact fees from being imposed on accessory dwelling units. SB 13 was signed by the Governor on October 9th. Tim Seufert (NBS) is

going to analyze the bill that was recently adopted and will bring this back for further discussion in December.

The group also discussed the implications of a 2017 state Supreme Court ruling in the California Cannabis Coalition v. City of Upland decision that suggested (but did not explicitly declare) that a two-thirds vote requirement for special local tax increases might not apply to measures placed on the ballot initiative. This issue will continue to be monitored as it is likely going to require the state Supreme Court to clarify its ruling on this matter.

- Grant Management – the Committee discussed the Uniform Guidance rules governing grant related purchases. No emerging issues or “hot topics” were noted for consideration at this time.

3. Next Meeting: December 12th, 2:00PM



CSMFO BOARD REPORT

DATE: 10/28/2019

FROM: Arwen Wacht, CSMFO Representative to the League of California Cities' Environmental Quality Policy Committee

SUBJECT: Update on the October 2019 League of California Cities' Environmental Quality Policy Committee Meeting

Background:

The League of California Cities' October 2019 Policy Committee meeting began on Wednesday, October 16, 2019, during the LLC's Annual Conference. An individual environmental policy committee meeting was held separately. Highlights of the meeting are included below.

The following items were discussed at the Environmental Quality Policy Committee meeting:

- **Legislative Agenda:** There were two action items (see attached for more details):
 - Resolution No. 2 - International Transboundary Pollution Flows: A resolution calling upon the federal and state governments to address the devastating impacts of international transboundary pollution flows into the southernmost regions of California and the Pacific Ocean. The committee voted to approved, which is now pending League Board review.
 - Resolution No. 1 – Amendment to Rule 20A: A resolution of the League of California Cities calling on the California Public Utilities Commission to amend Rule 20A to add projects in very high fire hazard severity zones to the list of eligibility criteria and to increase funding allocations for Rule 20A projects. After much discussion, the committee voted to pass as amended, and it is now pending League Board review.
- **Legislative Update:** a written update was provided on the following recently introduced and pending legislation (see attached).
 - AB 56 (Garcia) Electricity: procurement by the California Alternative Energy and Advanced Transportation Financing Authority.
 - Requires the PUC to empower the CAEATFA to undertake backstop procurement of electricity to meet the state resource adequacy, integrated

- resource planning and renewable portfolio standard goals not satisfied by retail sellers or load-serving entities.
 - The League opposes this bill.
- AB 100 (Committee on Budget) Drinking Water.
 - This bill would establish the Safe and Affordable Drinking Water Fund in the State Treasury to help water systems provide an adequate and affordable supply of safe drinking water in both the near and the long terms.
 - The League supports this bill.
- AB 755 (Holden) California tire fee: Stormwater Permit Compliance Fund.
 - Increased fee – revamped from last year’s proposal
 - The League supports this bill.
- AB 836 (Wicks) Wildfire Smoke Clean Air Centers for Vulnerable Populations Incentive Pilot Program
 - The League supports this bill.
- AB 1080 (Gonzalez D) California Circular Economy and Plastic Pollution Reduction Act
 - Would enact the California Circular Economy and Plastic Pollution Reduction Act, which would establish the policy goal of the state that by 2030 manufacturers and retailers achieve a 75% reduction of waste from single-use packaging
 - The League supports this bill.
- SB 45 (Allen) Wildfire, Drought, and Flood Protection Bond Act of 2020.
 - The League is still determining their position on this bill.
- SB 54 (Allen D) California Circular Economy and Plastic Pollution Reduction Act
 - Would enact the California Circular Economy and Plastic Pollution Reduction Act, which would establish the policy goal of the state that by 2030 manufacturers and retailers achieve a 75% reduction of waste from single-use packaging
 - The League supports this bill.
- SB 200 (Monning) Safe and Affordable Drinking Water Fund
 - No fees or taxes, just creating the fund
 - The League supports this bill.
- SB 205 (Hertzberg) Business Licenses: stormwater discharge compliance.
 - Required to show compliance when you apply for new or renew your business license
 - Requires local jurisdiction to verify compliance with State requirements
 - The League has removed their opposition of this bill.
- SB 209 (Dodd D) Wildfire: California Wildfire Warning Center: weather monitoring
 - Would establish in the state government the California Wildlife Warning Center
 - The League supports this bill.
- SB 332 (Hertzberg) Wastewater treatment: recycled water.
 - Ocean outflow legislation (revamped from a proposal a few years ago)
 - Local jurisdictions would be required to enforce at their own cost

- The League opposes this bill.
- SB 515 (Caballero) California Renewables Portfolio Standard Program: bioenergy renewable feed-in tariff.
 - Concerns were raised about burning biomass instead of putting the biomass in a landfill (but it was also raised that much of the potential biomass will have been contaminated with metals)
 - The League supports this bill.
- SB 667 (Hueso) Greenhouse gases: recycling infrastructure and facilities.
 - The League supports this bill.
- SB 669 (Caballero) Water quality: Safe Drinking Water Fund.
 - Instead of a tax, state general fund will assist during years with an increased amount of funds
 - Not sure of general operational costs.
 - The League supports this bill.

Recommendation:

I request that the Board review this report and topics, and let me know if you have any questions or concerns.

My 2019 League of California environmental policy committee appointment ended at the close of the Annual Conference. I would be happy to continue to represent the California Society of Municipal Finance Officers on this or one of the other policy committees for the League of California Cities for 2020.

ENVIRONMENTAL QUALITY POLICY COMMITTEE

Wednesday, October 16, 2019

10:00 a.m. – 11:00 a.m.

Hyatt Regency Long Beach,
200 South Pine Street, Long Beach

AGENDA

I. Welcome and Introductions

II. Public Comment

III. Annual Conference Resolutions

1. Resolution No. 1: Amendment to Rule 20A (*Attachment A*)

Action

2. Resolution No. 2: International Transboundary Pollution Flows (*Attachment B*) *Action*

IV. Adjourn

2020 Policy Committee Appointments

REMINDER: The 2019 policy committee appointments will end at the close of the Annual Conference; appointments for 2020 can be requested thereafter. Members seeking appointments for 2020 are urged to contact their incoming department, division, or affiliate president immediately following the Annual Conference to request reappointment. A presidential appointment from the League's incoming president may also be requested, but must first exhaust appointment opportunities through their division or department presidents.

Brown Act Reminder: The League of California Cities' Board of Directors has a policy of complying with the spirit of open meeting laws. Generally, off-agenda items may be taken up only if:

- 1) Two-thirds of the policy committee members find a need for immediate action exists and the need to take action came to the attention of the policy committee after the agenda was prepared (Note: If fewer than two-thirds of policy committee members are present, taking up an off-agenda item requires a unanimous vote); or*
- 2) A majority of the policy committee finds an emergency (for example: work stoppage or disaster) exists.*

A majority of a city council may not, consistent with the Brown Act, discuss specific substantive issues among themselves at League meetings. Any such discussion is subject to the Brown Act and must occur in a meeting that complies with its requirements.

1. RESOLUTION OF THE LEAGUE OF CALIFORNIA CITIES CALLING ON THE CALIFORNIA PUBLIC UTILITIES COMMISSION TO AMEND RULE 20A TO ADD PROJECTS IN VERY HIGH FIRE HAZARD SEVERITY ZONES TO THE LIST OF ELIGIBILITY CRITERIA AND TO INCREASE FUNDING ALLOCATIONS FOR RULE 20A PROJECTS

Source: City of Rancho Palos Verdes

Concurrence of five or more cities/city officials

Cities: City of Hidden Hills, City of La Cañada Flintridge, City of Laguna Beach, City of Lakeport, City of Malibu, City of Moorpark, City of Nevada City, City of Palos Verdes Estates, City of Rolling Hills Estates, City of Rolling Hills, City of Ventura

Referred to: Environmental Quality Policy Committee; Transportation, Communications, and Public Works Policy Committee

WHEREAS, the California Public Utilities Commission regulates the undergrounding conversion of overhead utilities under Electric Tariff Rule 20 and;

WHEREAS, conversion projects deemed to have a public benefit are eligible to be funded by ratepayers under Rule 20A; and

WHEREAS, the criteria under Rule 20A largely restricts eligible projects to those along streets with high volumes of public traffic; and

WHEREAS, the cost of undergrounding projects that do not meet Rule 20A criteria is left mostly or entirely to property owners under other parts of Rule 20; and

WHEREAS, California is experiencing fire seasons of worsening severity; and

WHEREAS, undergrounding overhead utilities that can spark brush fires is an important tool in preventing them and offers a public benefit; and

WHEREAS, brush fires are not restricted to starting near streets with high volumes of public traffic; and

WHEREAS, expanding Rule 20A criteria to include Very High Fire Hazard Severity Zones would facilitate undergrounding projects that would help prevent fires; and

WHEREAS, expanding Rule 20A criteria as described above and increasing funding allocations for Rule 20A projects would lead to more undergrounding in Very High Fire Hazard Severity Zones; and now therefore let it be,

RESOLVED that the League of California Cities calls on the California Public Utilities Commission to amend Rule 20A to include projects in Very High Fire Hazard Severity Zones to the list of criteria for eligibility and to increase funding allocations for Rule 20A projects.

Background Information on Resolution No. 1

Source: City of Rancho Palos Verdes

Background:

Rancho Palos Verdes is the most populated California city to have 90 percent or more of residents living in a Cal Fire-designated Very High Fire Hazard Severity Zone. Over the years, the Palos Verdes Peninsula has seen numerous brush fires that were determined to be caused by electrical utility equipment.

Across the state, some of the most destructive and deadly wildfires were sparked by power equipment. But when it comes to undergrounding overhead utilities, fire safety is not taken into account when considering using ratepayer funds to pay for these projects under California's Electric Tariff Rule 20 program. The program was largely intended to address visual blight when it was implemented in 1967. Under Rule 20A, utilities must allocate ratepayer funds to undergrounding conversion projects chosen by local governments that have a public benefit and meet one or more of the following criteria:

- Eliminate an unusually heavy concentration of overhead lines;
- Involve a street or road with a high volume of public traffic;
- Benefit a civic or public recreation area or area of unusual scenic interest; and,
- Be listed as an arterial street or major collector as defined in the Governor's Office of Planning and Research (OPR) Guidelines.

As we know, brush fires are not restricted to erupting in these limited areas. California's fire season has worsened in severity in recent years, claiming dozens of lives and destroying tens of thousands of structures in 2018 alone.

Excluding fire safety from Rule 20A eligibility criteria puts the task of undergrounding power lines in Very High Fire Hazard Severity Zones squarely on property owners who are proactive, willing and able to foot the bill.

The proposed resolution calls on the California Public Utilities Commission to amend Rule 20A to include projects in Very High Fire Hazard Severity Zones to the list of criteria for eligibility. To facilitate more undergrounding projects in these high-risk zones, the proposed resolution also calls on the CPUC to increase funding allocations for Rule 20A projects.

If adopted, utilities will be incentivized to prioritize undergrounding projects that could potentially save millions of dollars and many lives.

League of California Cities Staff Analysis on Resolution No. 1

Staff: Rony Berdugo, Legislative Representative, Derek Dolfie, Legislative Representative, Caroline Cirrincione, Legislative Policy Analyst
Committees: Environmental Quality; Transportation, Communications, and Public Works

Summary:

This Resolution, in response to intensifying fire seasons and hazards associated with exposed energized utility lines, proposes that the League of California Cities (League) call upon the California Public Utilities Commission (CPUC) to amend the Rule 20A program by expanding the criteria for undergrounding overhead utilities to include projects in Very High Fire Hazard Severity Zones (VHFHSZ). This Resolution also proposes that the League call upon the CPUC to increase utilities' funding allocations for Rule 20A projects.

Background

California Wildfires and Utilities

Over the last several years, the increasing severity and frequency of California's wildfires have prompted state and local governments to seek urgent prevention and mitigation actions. Record breaking wildfires in Northern and Southern California in both 2017 and 2018 have caused destruction and loss of life. This severe fire trend has local officials seeking solutions to combat what is now a year-round fire season exacerbated by years of drought, intense weather patterns, untamed vegetation and global warming.

These conditions create a dangerous catalyst for wildfires caused by utilities as extreme wind and weather events make downed power lines more of a risk. In response to recent catastrophic wildfires, Governor Newsom established a Strike Force tasked with developing a "comprehensive roadmap" to address issues related to wildfires, climate change, and utilities. [The Strike Force report](#) acknowledges that measures to harden the electrical grid are critical to wildfire risk management. A key utility hardening strategy: undergrounding lines in extreme high-fire areas.

Governor Newsom's Wildfire Strike Force program report concludes, "It's not a question of "if" wildfire will strike, but "when."

Very High Fire Hazard Severity Zones

This Resolution seeks to expand the undergrounding of overhead utility lines in VHFHSZ. California [Government Code Section 51178](#) requires the Director of the California Department of Forestry and Fire Protection (CalFIRE) to identify areas in the state as VHFHSZ based on the potential fire hazard in those areas. VHFHSZ are determined based on fuel loading, slope, fire weather, and other relevant factors. These zones are in both local responsibility areas and state responsibility areas. Maps of the statewide and county by county VHFHSZ can be found [here](#).¹

¹ <https://osfm.fire.ca.gov/divisions/wildfire-prevention-planning-engineering/wildland-hazards-building-codes/fire-hazard-severity-zones-maps/>

More than 25 million acres of California wildlands are classified under very high or extreme fire threat. Approximately 25 percent of the state's population, 11 million people, live in those high-risk areas. Additionally, over 350,000 Californians live in cities that are nearly encompassed within Cal Fire's maps of VHFHSZ. Similar to the proponents of this Resolution, City of Rancho Palos Verdes, over 75 communities have 90 percent or more of residents living in a VHFHSZ.

CPUC Rule 20 Program

The CPUC's Rule 20 program lays out the guidelines and procedures for converting overhead electric and telecommunication facilities to underground electric facilities. Rule 20 funding and criteria is provided at four levels. Levels A, B, and C, reflect progressively diminishing ratepayer funding for undergrounding projects. Recently added Rule 20D is a relatively new program that is specific to San Diego Gas and Electric (SDG&E), which was created in response to the destructive 2007 wildfires. Each of these levels will be discussed below:

Rule 20A

The first California overhead conversion program, Rule 20A, was created in 1967 under then Governor Ronald Reagan. The program was created to provide a consistent and structured means of undergrounding utility lines throughout the state with costs covered broadly by utility ratepayers.

Each year, Investor Owned Utilities (IOUs) propose their Rule 20A allocation amounts to the CPUC during annual general rate case proceedings. In this process, IOUs propose revised utility customer rates based on expected service costs, new energy procurement and projects for the following year, including Rule 20 allocations. The CPUC then reviews, amends, and approves IOU rates. Currently, the cumulative budgeted amount for Rule 20A for Pacific Gas and Electric (PG&E), Southern California Edison (SCE), and San Diego Gas and Electric (SDG&E) totals around \$95.7 million.

The funding set aside by IOUs for Rule 20A is allocated to local governments through a credit system, with each credit holding a value to be used solely for the costs of an undergrounding project. The credit system was created so that local governments and IOUs can complete undergrounding projects without municipal financing. Through Rule 20A, municipalities that have developed and received city council approval for an undergrounding plan receive annual credits from the IOU in their service area. At the last count by the CPUC, over 500 local governments (cities and counties) participate in the credit system.

While these credits have no inherent monetary value, they can be traded in or banked for the conversion of overhead lines. Municipalities can choose to accumulate their credits until their credit balance is sufficient to cover these conversion projects, or choose to borrow future undergrounding allocations for a period of up to five years. Once the cumulative balance of credits is sufficient to cover the cost of a conversion project, the municipality and the utility can move forward with the undergrounding. All of the planning, design, and construction is performed by the participating utility. Upon the completion of an undergrounding project, the utility is compensated through the local government's Rule 20A credits.

At the outset of the program, the amount of allocated credits were determined by a formula which factored in the number of utility meters within a municipality in comparison to the utilities' service territory. However, in recent years the formula has changed. Credit allocations for IOUs, except for PG&E, are now determined based on the allocation a city or county received in 1990 and is then adjusted for the following factors:

- 50% of the *change from the 1990* total budgeted amount is allocated for the ratio of the number of overhead meters in any city or unincorporated area to the total system overhead meters; and
- 50% of the *change from the 1990* total budgeted amount is allocated for the ratio of the number of meters (which includes older homes that have overhead services, and newer homes with completely underground services) in any city or the unincorporated area to the total system meters.

As noted, PG&E has a different funding formula for their Rule 20A credit allocations as they are not tied to the 1990 base allocation. Prior to 2011, PG&E was allocating approximately five to six percent of its revenue to the Rule 20A program. The CPUC decided in 2011 that PG&E's Rule 20A allocations should be reduced by almost half in an effort to decrease the growing accumulation of credits amongst local governments. Since 2011, PG&E's annual allocations for Rule 20A have been around \$41.3 million annually, which is between two and three percent of their total revenue.

Criteria for Rule 20A Projects

For an undergrounding project to qualify for the Rule 20A program, there are several criteria that need to be met. The project must have a public benefit and:

1. Eliminate an unusually heavy concentration of overhead lines
2. Involve a street or road with a high volume of public traffic
3. Benefit a civic or public recreation area or area of unusual scenic interest,
4. Be listed as an arterial street or major collector as defined in the Governor's Office of Planning and Research (OPR) Guidelines

Notably, fire safety is excluded from the list of criteria that favors aesthetic and other public safety projects.

Rule 20A Credit System Imbalance Threatens Program Effectiveness

Allocations are made by utilities each year for Rule 20A credits. These current budget allocations total \$95.7 million a year. Currently, the cumulative balance of credits throughout the state totals over \$1 billion dollars. The Rule 20A cumulative balances aggregated by region can be found [here](#).²

² Program Review, California Overhead Conversion Program, Rule 20A for Years 2011-2015, "The Billion Dollar Risk," California Public Utilities Commission.

[https://www.cpuc.ca.gov/uploadedFiles/CPUC_Public_Website/Content/About_Us/Organization/Divisions/Policy_and_Planning/PPD_Work_Products_\(2014_forward\)\(1\)/PPD_Rule_20-A.pdf](https://www.cpuc.ca.gov/uploadedFiles/CPUC_Public_Website/Content/About_Us/Organization/Divisions/Policy_and_Planning/PPD_Work_Products_(2014_forward)(1)/PPD_Rule_20-A.pdf)

Note: The existing credit allocation formulas do not consider a municipality's need or plans for overhead conversion projects, resulting in large credit balances in some jurisdictions.

Cities and counties are, however, able to trade or sell unallocated Rule 20A credits if they will not be used to fund local undergrounding projects. There have been several cases where one agency has sold their unused credits, often for less than the full dollar value of the credits themselves to another agency.

Rule 20B

Rule 20B projects are those that do not fit the Rule 20A criteria, but do, however, involve both sides of the street for at least 600 feet. These projects are typically done in conjunction with larger developments and are mostly paid for by the developer or applicant. Additionally, the applicant is responsible for the installation.

Rule 20C

Rule 20C projects are usually small projects that involve property owners. The majority of the cost is usually borne by the applicants. Rule 20C applies when the project does not qualify for either Rule 20A or Rule 20B.

Rule 20D--Wildfire Mitigation Undergrounding Program

Rule 20D was approved by the CPUC in January of 2014 and only applies to SDG&E. The Rule 20D program was established largely in response to the destructive wildfires that occurred in San Diego in 2007 as a wildfire mitigation undergrounding program. According to SDG&E, the objective of the Rule 20D undergrounding is exclusively for fire hardening as opposed to aesthetics. The program is limited in scope and is restricted to communities in SDG&E's Fire Threat Zone (now referred to as the [High Fire Threat District or HFTD](#)). As of this time, the program has yet to yield any projects and no projects are currently planned.

For an undergrounding project to qualify for the Rule 20D program, a minimum of three of the following criteria must be met. The project must be near, within, or impactful to:

- Critical electric infrastructure
- Remaining useful life of electric infrastructure
- Exposure to vegetation or tree contact
- Density and proximity of fuel
- Critical surrounding non-electric assets (including structures and sensitive environmental areas)
- Service to public agencies
- Accessibility for firefighters

Similar to Rule 20A, SDG&E must allocate funding each year through their general rate case proceedings to Rule 20D to be approved by the CPUC. This funding is separate from the allocations SDG&E makes for Rule 20A. However, the process of distributing this funding to localities is different. The amount of funding allocated to each city and county for Rule 20D is based on the ratio of the number of miles of overhead lines in SDG&E Fire Threat Zones in a city or county to the total miles of SDG&E overhead lines in the entire SDG&E fire zone. The

Rule 20D program is administered by the utility consistent with the existing reporting, engineering, accounting, and management practices for Rule 20A.

The Committee may want to consider whether Rule 20D should instead be expanded, adapted, or further utilized to support funding for overhead conversions within VHFHSZ throughout the state.

Fiscal Impact:

The costs to the State associated with this Resolution will be related to the staff and programmatic costs to the CPUC to take the necessary measures to consider and adopt changes to Rule 20A to include projects in VHFHSZ to the list of criteria for eligibility.

This Resolution calls for an unspecified increase in funding for Rule 20A projects, inferring that portions of increased funds will go towards newly eligible high fire hazard zones. While the Resolution does not request a specific amount be allocated, it can be assumed that these increased costs will be supported by utility ratepayers. According to the CPUC, the annual allocations towards Rule 20A are \$95.7 million.

The CPUC currently reports a cumulative credit surplus valued at roughly \$1 billion that in various regions, given the approval of expanded eligibility called for by this Resolution, could be used to supplement and reduce the level of new dollars needed to make a significant impact in VHFHSZ. The CPUC follows that overhead conversion projects range from \$93,000 per mile for rural construction to \$5 million per mile for urban construction.

The Resolution states that “California is experiencing fire seasons of worsening severity” which is supported by not only the tremendous loss of property and life from recent wildfires, but also in the rising costs associated with clean up, recovery, and other economic losses with high estimates in the hundreds of billions of dollars.

The Committee may wish to consider the costs associated with undergrounding utility lines in relation to the costs associated with past wildfires and wildfires to come.

Comments:

CPUC Currently Exploring Revisions to Rule 20

In May 2017, the CPUC issued an Order Instituting Rulemaking to Consider Revisions to Electric Rule 20 and Related Matters. The CPUC will primarily focus on revisions to Rule 20A but may make conforming changes to other parts of Rule 20. The League is a party in these proceedings will provide comments.

Beyond Rule 20A: Additional Options for Funding Undergrounding Projects

There are various ways in which cities can generate funding for undergrounding projects that fall outside of the scope of Rule 20A. At the local level, cities can choose to forgo the Rule 20A process and opt to use their own General Fund money for undergrounding. Other options are also discussed below:

Rule 20D Expansion

The City of Berkeley in a 2018 study titled [“Conceptual Study for Undergrounding Utility Wires in Berkeley.”](#) found that the city could possibly qualify for Rule 20D funding if they actively pursued this opportunity in partnership with PG&E and the CPUC.

One of the study’s recommendations is to advocate for release of 20D funds (now earmarked exclusively for SDG&E) to be used for more aggressive fire hardening techniques for above-ground utility poles and equipment, for undergrounding power lines, and for more aggressive utility pole and vegetation management practices in the Very High Hazard Fire Zone within Berkeley’s city limits.

As an alternative to changing the criteria for Rule 20A, the Committee may wish to consider whether there is the opportunity to advocate for the expansion of Rule 20D funding more broadly, expanding its reach to all IOU territories.

Franchise Surcharge Fees

Aside from Rule 20 allocations, cities can generate funding for undergrounding through franchise fee surcharges. For example, SDG&E currently operates under a 50-year City franchise that was granted in 1970. Under the franchises approved by the San Diego City Council in December 1970, SDG&E agreed to pay a franchise fee to the City equivalent to 3% of its gross receipts from the sales of both natural gas and electricity for 30 years.

These fees were renegotiated in 2000 and in 2001 an agreement was between the City of San Diego, SDG&E, and the CPUC to extend the existing franchise fee to include revenues collected from surcharges. SDG&E requested an increase of 3.88% to its existing electric franchise fee surcharge. The bulk, 3.53% of this increase is to be used for underground conversion of overhead electric wires.

Based on SDG&E's revenue projections, the increase would result in an additional surcharge revenue amount of approximately \$36.5 million per year. SDG&E estimates that this would create a monthly increase of approximately \$3.00 to a typical residential customer's electric bill. These surcharge revenues would pay for additional undergrounding projects including those that do not meet the Rule 20A criteria. The City of Santa Barbara has also adopted a similar franchise surcharge fee.

Having this funding source allows the City of San Diego to underground significantly more miles of above ground utility lines than other municipalities. However, the surcharge is currently being challenged in court, as it is argued that the City had SDG&E impose a tax without a ballot measure.

Utility Bankruptcy and Undergrounding Funding

In considering this Resolution, it is important to understand that Rule 20A allocations have been more substantial in the past. As mentioned earlier, prior to 2011, PG&E was allocating approximately 5% to 6% of its revenue to the Rule 20A program. Therefore, it is not unreasonable to encourage an increase in Rule 20A allocations as history shows that utilities had the capacity to do so in the past.

However, in a time where IOUs such as PG&E are facing bankruptcy as the result of utility caused wildfires, there is the possibility that expanding rule 20A funding will generate more costs for the ratepayers.

Questions to Consider:

- 1) Is Rule 20A or Rule 20D the more appropriate program to advocate for such an expansion?
- 2) Are there any wildfire risks outside of VHFHSZ that could be mitigated by undergrounding projects?

Existing League Policy:

Public Safety:

The League supports additional funding for local agencies to recoup the costs associated with fire safety in the community and timely mutual aid reimbursement for disaster response services in other jurisdictions. (pg. 43)

The League supports the fire service mission of saving lives and protecting property through fire prevention, disaster preparedness, hazardous-materials mitigation, specialized rescue, etc., as well as cities' authority and discretion to provide all emergency services to their communities. (pg. 43)

Transportation, Communication, and Public Works:

Existing telecommunications providers and new entrants shall adhere to local city policies on public utility undergrounding. (pg. 54)

The League supports protecting the additional funding for local transportation and other critical unmet infrastructure needs. (pg. 51)

The League supports innovative strategies including public private partnerships at the state and local levels to enhance public works funding. (pg. 52)

Environmental Quality

The League opposes any legislation that interferes with local utility rate setting authority and opposes any legislation that restricts the ability of a city to transfer revenue from a utility (or other enterprise activity) to the city's general fund. (pg. 9)

Cities should continue to have the authority to issue franchises and any program should be at least revenue neutral relative to revenue currently received from franchises. (pg. 9)

The League is concerned about the impacts of escalating energy prices on low income residents and small businesses. The League supports energy pricing structures and other mechanisms to soften the impacts on this segment of our community. (pg. 10)

2019 Strategic Goals

Improve Disaster Preparedness, Recovery and Climate Resiliency.

- Provide resources to cities and expand partnerships to better prepare for and recover from wildfires, seismic events, erosion, mudslides and other disasters.
- Improve community preparedness and resiliency to respond to climate-related, natural and man-made disasters.

Support:

The following letters of concurrence were received:

The City of Hidden Hills

The City of La Cañada Flintridge

The City of Laguna Beach

The City of Lakeport

The City of Malibu

The City of Moorpark

The City of Nevada City

The City of Palos Verdes Estates

The City of Rolling Hills Estates

The City of Rolling Hills

The City of Ventura

2. A RESOLUTION CALLING UPON THE FEDERAL AND STATE GOVERNMENTS TO ADDRESS THE DEVASTATING IMPACTS OF INTERNATIONAL TRANSBOUNDARY POLLUTION FLOWS INTO THE SOUTHERNMOST REGIONS OF CALIFORNIA AND THE PACIFIC OCEAN

Source: San Diego County Division

Concurrence of five or more cities/city officials

Cities: Calexico; Coronado; Imperial Beach; San Diego

Individual City Officials: City of Brawley: Mayor Pro Tem Norma Kastner-Jauregui; Council Members Sam Couchman, Luke Hamby, and George Nava. City of Escondido: Deputy Mayor Consuelo Martinez. City of La Mesa: Council Member Bill Baber. City of Santee: Mayor John Minto, City of Vista: Mayor Judy Ritter and Council Member Amanda Young Rigby

Referred to: Environmental Quality Policy Committee

WHEREAS, international transboundary rivers that carry water across the border from Mexico into Southern California are a major source of sewage, trash, chemicals, heavy metals and toxins; and

WHEREAS, transboundary flows threaten the health of residents in the United States and Mexico, harm important estuarine land and water of international significance, force closure of beaches, damage farmland, adversely impact the South San Diego County and Imperial County economy; compromise border security, and directly affect U.S. military readiness; and

WHEREAS, a significant amount of untreated sewage, sediment, hazardous chemicals and trash have been entering southern California through both the Tijuana River Watershed (75 percent of which is within Mexico) and New River flowing into southern California's coastal waterways and residential and agricultural communities in Imperial County eventually draining into the Salton Sea since the 1930s; and

WHEREAS, in February 2017, an estimated 143 million gallons of raw sewage flowed into the Tijuana River and ran downstream into the Pacific Ocean and similar cross border flows have caused beach closures at Border Field State Park that include 211 days in 2015; 162 days in 2016; 168 days in 2017; 101 days in 2018; and 187 days to date for 2019 as well as closure of a number of other beaches along the Pacific coastline each of those years; and

WHEREAS, approximately 132 million gallons of raw sewage has discharged into the New River flowing into California through communities in Imperial County, with 122 million gallons of it discharged in a 6-day period in early 2017; and

WHEREAS, the presence of pollution on state and federal public lands is creating unsafe conditions for visitors; these lands are taxpayer supported and intended to be managed for recreation, resource conservation and the enjoyment by the public, and

WHEREAS, the current insufficient and degrading infrastructure in the border zone poses a significant risk to the public health and safety of residents and the environment on both

sides of the border, and places the economic stress on cities that are struggling to mitigate the negative impacts of pollution; and

WHEREAS, the 1944 treaty between the United States and Mexico regarding *Utilization of Waters of the Colorado and Tijuana Rivers and of the Rio Grande* allocates flows on trans-border rivers between Mexico and the United States, and provides that the nations, through their respective sections of the International Boundary Water Commission shall give control of sanitation in cross border flows the highest priority; and

WHEREAS, in 1993, the United States and Mexico entered into the *Agreement Between the Government of the United States of America and the Government of the United Mexican States Concerning the Establishment of a North American Development Bank* which created the North American Development Bank (NADB) to certify and fund environmental infrastructure projects in border-area communities; and

WHEREAS, public concerns in response to widespread threats to public health and safety, damage to fish and wildlife resources and degradation to California's environment resulting from transboundary river flow pollution in the southernmost regions of the state requires urgent action by the Federal and State governments, and

WHEREAS, Congress authorized funding under the U.S. Environmental Protection Agency's (EPA) Safe Drinking Water Act and established the State and Tribal Assistance Grants (STAG) program for the U.S.-Mexico Border Water Infrastructure Program (BWIP) in 1996 to provide grants for high-priority water, wastewater, and storm-water infrastructure projects within 100 kilometers of the southern border; and

WHEREAS, the EPA administers the STAG and BWIP programs, and coordinates with the North American Development Bank (NADB) to allocate BWIP grant funds to projects in the border zone; and

WHEREAS, since its inception, the BWIP program has provided funding for projects in California, Arizona, New Mexico and Texas that would not have been constructed without the grant program; and

WHEREAS, the BWIP program was initially funded at \$100 million per year, but, over the last 20 years, has been continuously reduced to its current level of \$10 million; and

WHEREAS, in its FY 2020 Budget Request, the Administration proposed to eliminate the BWIP program; and

WHEREAS, officials from EPA Region 9, covering California, have identified a multitude of BWIP-eligible projects along the southern border totaling over \$300 million; and

WHEREAS, without federal partnership through the BWIP program and state support to address pollution, cities that are impacted by transboundary sewage and toxic waste flows are

left with limited resources to address a critical pollution and public health issue and limited legal remedies to address the problem; and

WHEREAS, the National Association of Counties, (NACo) at their Annual Conference on July 15, 2019 and the U.S. Conference of Mayors at their Annual Conference on in July 1, 2019 both enacted resolutions calling on the federal and state governments to work together to fund and address this environmental crisis; and

WHEREAS, local governments and the public support the State's primary objectives in complying with environmental laws including the Clean Water Act, Porter-Cologne Water Quality Control Act, and Endangered Species Act and are supported by substantial public investments at all levels of government to maintain a healthy and sustainable environment for future residents of California, and

WHEREAS, League of California Cities policy has long supported efforts to ensure water quality and oppose contamination of water resources; and

NOW, THEREFORE, BE IT RESOLVED at the League General Assembly, assembled at the League Annual Conference on October 18, 2019 in Long Beach, that the League calls upon the Federal and State governments to restore and ensure proper funding to the U.S- Mexico Border Water Infrastructure Program (BWIP) and recommit to working bi-nationally to develop and implement long-term solutions to address serious water quality and contamination issues, such as discharges of untreated sewage and polluted sediment and trash-laden transboundary flows originating from Mexico, that result in significant health, environmental, and safety concerns in communities along California's southern border impacting the state.

Background Information on Resolution No. 2

Source: San Diego County Division

Background:

Along California's southern border with Mexico, the New River in Imperial County and the Tijuana River in San Diego County are a major sources of raw sewage, trash, chemicals, heavy metals, and toxins that pollute local communities. Sewage contaminated flows in the Tijuana River have resulted in significant impacts to beach recreation that includes the closure of Border Field State Beach for more than 800 days over the last 5-years. Similarly, contaminated flows in the New River presents comparable hazards, impacts farm land, and contributes to the ongoing crisis in the Salton Sea. These transboundary flows threaten the health of residents in California and Mexico, harms the ecosystem, force closures at beaches, damage farm land, makes people sick, and adversely affects the economy of border communities. The root cause of this cross border pollution is from insufficient or failing water and wastewater infrastructure in the border zone and inadequate federal action to address the problem through existing border programs.

The severity of cross border pollution has continued to increase, due in part to the rapid growth of urban centers since the passage of the North American Free Trade Agreement (NAFTA). While economic growth has contributed to greater employment, the environmental infrastructure of the region has not kept pace, which is why Congress authorized the Border Water Infrastructure Program (BWIP) in 1996. The U.S. Environmental Protection Agency (EPA) administers the BWIP and coordinates with the North American Development Bank (NADB) to provide financing and technical support for projects on both sides of the U.S./Mexico border. Unfortunately, the current BWIP funding at \$10 million per year is only a fraction of the initial program budget that shares funding with the entire 2,000 mile Mexican border with California, Arizona, New Mexico and Texas. EPA officials from Region 9 have identified an immediate need for BWIP projects totaling over \$300 million just for California. Without federal partnerships through the BWIP and state support to address cross border pollution, cities that are impacted by transboundary sewage and toxic waste flows are left with limited resources to address a critical pollution and public health issue.

The International Boundary and Water Commission (IBWC) is another important federal stakeholder that, under the Treaty of 1944 with Mexico, must address border sanitation problems. While IBWC currently captures and treats some of the pollution generated in Mexico, it also redirects cross border flows without treatment directly into California.

Improving environmental and public health conditions for communities along the border is essential for maintaining strong border economy with Mexico. The IBWC, EPA, and NADB are the important federal partners with existing bi-national programs that are able to immediately implement solutions on cross border pollution. California is in a unique position to take the lead and work with local and federal partners to implement real solutions that will addresses the long standing and escalating water quality crisis along the border.

For those reasons, the cities of Imperial Beach and Coronado requested the San Diego County Division to propose a resolution at the 2019 League Annual Conference calling upon the federal

and state governments to address the devastating impacts of international transboundary pollution flows into the waterways of the southernmost regions of California, San Diego and Imperial Counties and the Pacific Ocean.

On August 12, 2019 at the regularly scheduled meeting of the San Diego County Division, the membership unanimously endorsed submittal of the resolution, with close to 75% membership present and voting.

The Imperial County Division does not have a scheduled meeting until after the deadline to submit proposed resolutions. However, the City of Calexico, which is most directly impacted by initial pollution flow of the New River from Mexicali, sent a letter in concurrence of this resolution as well as numerous city official from cities within Imperial County and the Imperial County Board of Supervisors. The League Imperial County Division will place a vote to support this resolution on the agenda of their September 26, 2019 meeting.

League of California Cities Staff Analysis on Resolution No. 2

Staff: Derek Dolfie, Legislative Representative
Carly Shelby, Legislative and Policy Development Assistant
Committees: Environmental Quality

Summary:

This Resolution states that the League of California Cities should call upon the State and Federal governments to restore and ensure proper funding for the U.S. – Mexico Border Water Infrastructure Program (BWIP) and work bi-nationally to address water quality issues resulting from transboundary flows from Mexico’s Tijuana River into the United States containing untreated sewage, polluted sediment, and trash.

Background:

The League of California Cities’ San Diego County Division is sponsoring this resolution to address their concerns over the contaminated flows from the Tijuana River into California that have resulted in the degradation of water quality and water recreational areas in Southern California.

The Tijuana River flows north through highly urbanized areas in Mexico before it enters the Tijuana River Estuary and eventually the Pacific Ocean via waterways in San Diego County in California. Urban growth in Tijuana has contributed to a rise in rates of upstream flows from water treatment facilities in Mexico. These treatment facilities have raised the amount of untreated sewage and waste in the Tijuana River due to faulty infrastructure and improper maintenance. The federal government refers to the river as an “impaired water body” because of the presence of pollutants in excess, which pose significant health risks to residents and visitors in communities on both sides of the border.

Federal Efforts to Address Pollution Crisis

To remedy the Tijuana River’s low water quality, the United States and Mexico entered into a Treaty in 1944 entitled: *Utilization of Waters of the Colorado River and Tijuana Rivers and of the Rio Grande – the International Boundary and Water Commission (IBWC)*. The IBWC was designed to consist of a United States section and a Mexico section. Both sections were tasked with negotiating and implementing resolutions to address water pollution in the area, which includes overseeing the development of water treatment and diversion infrastructure.

After the formation of the IBWC, the U.S. and Mexico entered into a treaty in 1993 entitled: *Agreement Concerning the Establishment of a Border Environment Cooperation Commission and a North American Development Bank*. This agreement established the North American Development Bank (NADB), which certifies and funds infrastructure projects located within 100 kilometers (62 miles) of the border line. The NADB supports federal programs like the Border Water Infrastructure Program (BWIP), which was initially funded at \$100 million, annually.

The degradation of existing water treatment infrastructure along the border coincides with the federal government’s defunding of the BWIP, which has steadily decreased from \$100 million in 1996 to \$10 million today. The Federal FY 2020 Budget proposes eliminating BWIP funding

altogether. EPA's regions 6 and 9 (includes U.S. states that border Mexico) have identified a number of eligible projects that address public health and environmental conditions along the border totaling \$340 million.

The NADB has funded the development of water infrastructure in both the U.S. and Mexico. Water diversion and treatment infrastructure along the U.S – Mexico border includes, but is not limited to, the following facilities:

- *The South Bay International Wastewater Treatment Plant (SBIWTP)*. This facility was constructed by the U.S. in 1990 and is located on the California side of the border and is operated under the jurisdiction of the IBWC. The SBIWTP serves as a diversion and treatment sewage plant to address the flow of untreated sewage from Mexico into the United States.
- *Pump Station CILA*. CILA was constructed by Mexico in 1991 and is located along the border in Mexico. This facility serves as the SBIWTP's Mexican counterpart.

Both the SBIWTP and CILA facilities have had a multitude of overflows containing untreated sewage and toxic waste that spills into the Tijuana River. The cause of overflows can be attributed to flows exceeding the maximum capacity that the infrastructure can accommodate (this is exacerbated during wet and rainy seasons) and failure to properly operate and maintain the facilities. Much of the existing infrastructure has not had updates or repairs for decades, causing overflows to become more frequent and severe. The most notable overflow occurred in February 2017, wherein 143 million gallons of polluting waste discharged into the Tijuana River; affecting the Tijuana Estuary, the Pacific Ocean, and Southern California's waterways.

State Actions

In response to the February 2017 overflow, the San Diego Water Board's Executive Officer sent a letter to the U.S. and Mexican IBWC Commissioners which included recommendations on how to improve existing infrastructure and communications methods between both nations.

In September of 2018, California Attorney General Xavier Becerra submitted a lawsuit against IBWC for Violating the Clean Water Act by allowing flows containing sewage and toxic waste to flow into California's waterways, posing a public health and ecological crisis. The cities of Imperial Beach, San Diego, Chula Vista, the Port of San Diego, and the San Diego Regional Water Quality Board have also filed suit against the IBWC. The suit is awaiting its first settlement conference on October 19, 2019. If parties are unable to reach a settlement, the case will go to trial.

Fiscal Impact:

California's economy is currently the sixth largest in the world, with tourism spending topping \$140.6 billion in 2018. In the past five years, San Diego's Border Field State Park has been closed for over 800 days because of pollution from the Tijuana River. A decline in the State's beach quality and reputation could carry macroeconomic effects that could ripple outside of the San Diego County region and affect coastal communities throughout California.

Existing League Policy

The League of California Cities has extensive language on water in its Summary of Existing Policy and Guiding Principles. Fundamentally, the League recognizes that beneficial water quality is essential to the health and welfare of California and all of its citizens. Additionally, the League advocates for local, state and federal governments to work cooperatively to ensure that water quality is maintained.

The following policy relates to the issue of water quality:

- Surface and groundwater should be protected from contamination.
- Requirements for wastewater discharge into surface water and groundwater to safeguard public health and protect beneficial uses should be supported.
- When addressing contamination in a water body, water boards should place priority emphasis on clean-up strategies targeting sources of pollution, rather than in stream or end-of-pipe treatment.
- Water development projects must be economically, environmentally and scientifically sound.
- The viability of rivers and streams for instream uses such as fishery habitat, recreation and aesthetics must be protected.
- Protection, maintenance, and restoration of fish and wildlife habitat and resources.

Click here to view the [Summary of Existing Policy and Guiding Principles 2018](#).

Comments:

1. Water quality issues are prevalent across California and have been a constant priority of the State's legislature and residents. In 2014, California's voters approved Proposition 1, which authorized \$7.5 billion in general obligation bonds to fund water quality improvement projects. In 2019, the Legislature reached an agreement to allocate \$130 million from the State's Greenhouse Gas Reduction Fund (GGRF) to address failing water infrastructure and bad water qualities for over one million of California's residents in rural communities. Water quality is not an issue unique to the County of San Diego and communities along the border.
2. Tijuana River cross-border pollution has caught national attention. Members of Congress have proposed recent funding solutions to address the pollution crisis, including:
 - In February of 2019, California Congressional Representatives Vargas, Peters, and Davis helped secure \$15 million for the EPA to use as part of its BWIP.
 - *H.R. 3895 (Vargas, Peters, 2019), The North American Development Bank Pollution Solution Act*. This bill seeks to support pollution mitigation efforts along the border by increasing the NADB's capital by \$1.5 billion.
 - *H.R. 4039 (Levin, 2019), The Border Water Infrastructure Improvement Act*. This bill proposes increasing funding to the BWIP from the existing \$10 million to \$150 million as a continuous appropriation until 2025.Additionally, the National Association of Counties (NACo) and the U.S. Conference of Mayors enacted resolutions in support of increased funding for U.S. – Mexico border water infrastructure to address the environmental crisis in 2019.

3. The border pollution problem has sparked action from local, state, and federal actors. Should this resolution be adopted, League membership should be aware that future action will be adapted by what is explicitly stated in the resolution's language. In current form, the resolution's resolve clause cites the BWIP as the only program that should receive reinstated and proper funding. League staff recommends the language be modified to state:

“NOW, THEREFORE, BE IT RESOLVED at the League General Assembly, assembled at the League Annual Conference on October 18, 2019 in Long Beach, that the League calls upon the Federal and State governments to restore and ensure proper funding for environmental infrastructure on the U.S. – Mexico Border, including to the U.S.–Mexico Border Water Infrastructure Program (BWIP), and recommit to working bi-nationally to develop and implement long-term solutions to address serious water quality and contamination issues, such as discharges of untreated sewage and polluted sediment and trash-laden transboundary flows originating from Mexico, that result in significant health, environmental, and safety concerns in communities along California's southern border impacting the state.”

Modifying the language would ensure enough flexibility for the League to support funding mechanisms outside of the prescribed federally-operated BWIP.

4. It remains unclear if there is an appetite in Washington to fund border-related infrastructure projects that address environmental quality. Given the high probability of another overflow containing waste and sewage from the existing infrastructure operated by the IBWC, League membership should consider the outcome if no resolution is reached to address the issue.

Support:

The following letters of concurrence were received:

Cities:

The City of Calexico

The City of Coronado

The City of Imperial Beach

The City of San Diego

In their individual capacity:

Amanda Young Rigby, City of Vista Council Member

Bill Baber, City of La Mesa Council Member

Consuelo Martinez, City of Escondido Deputy Mayor

George A. Nava, City of Brawley Council Member

John Minto, City of Santee Mayor

Judy Ritter, City of Vista Mayor

Luke Hamby, City of Brawley Council Member

Norma Kastner-Jauregui, City of Brawley Mayor Pro-Tempore

Sam Couchman, City of Brawley Council Member

Environmental Quality - Bills with Positions

Monday, October 14, 2019

AB 56 (Garcia, Eduardo D) Electricity: procurement by the California Alternative Energy and Advanced Transportation Financing Authority.

Would require the Public Utilities Commission to empower the California Alternative Energy and Advanced Transportation Financing Authority to undertake backstop procurement of electricity that would otherwise be performed by an electrical corporation to meet the state resource adequacy, integrated resource planning, and renewable portfolio standard goals not satisfied by retail sellers or load-serving entities. The bill would authorize the authority to undertake backstop procurement consistent with specified objectives and to manage the resale of electricity for its contracted resources. The bill would require the commission to periodically review the need for, and the benefits of, continuing to empower the authority to undertake backstop procurement responsibilities.

League Position: Oppose

Primary Lobbyist: [Dolfie, Derek](#)

Policy Committee : [EQ](#)

Desk	Policy	Fiscal	Floor	Desk	2 year	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

League Position Letter(s) & City Sample Letter(s):

[AB 56 \(E. Garcia\) Oppose Letter Sen. EUC 7-1-19](#)

AB 100 (Committee on Budget) Drinking water.

The California Safe Drinking Water Act requires the State Water Resources Control Board to administer provisions relating to the regulation of drinking water to protect public health. Current law declares it to be the established policy of the state that every human being has the right to safe, clean, affordable, and accessible water adequate for human consumption, cooking, and sanitary purposes. This bill would establish the Safe and Affordable Drinking Water Fund in the State Treasury to help water systems provide an adequate and affordable supply of safe drinking water in both the near and the long terms.

League Position: Support

Primary Lobbyist: [Dolfie, Derek](#)

Policy Committee : [EQ](#)

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

League Position Letter(s) & City Sample Letter(s):

[AB 100 Coalition SUPPORT Sen Budget 6.21.19](#)

AB 755 (Holden D) California tire fee: Stormwater Permit Compliance Fund.

Would require the California Department of Tax and Fee Administration to collect the California tire fee and would repeal the provision authorizing the Department of Resources Recycling and Recovery to solicit and use the expertise of, and contract or cooperate with, other state agencies. The bill would increase the California tire fee by \$1.50. The bill would require the California Department of Tax and Fee Administration to transfer the additional moneys to the Stormwater Permit Compliance Fund, which would be established by the bill, and would make the moneys available to the State Water Resources Control Board. The bill would continuously appropriate moneys in the fund for competitive grants for projects and programs for municipal storm sewer system permit compliance requirements that would prevent or remediate pollutants, including zinc, caused by tires in the state and for an annual audit of the fund. Money in the fund would be available upon appropriation for the administrative expenses of the fund, not to exceed 5% of the overall revenue annually deposited in the fund, except as specified. The bill would also make conforming changes. This bill contains other related provisions and other existing laws.

League Position: Support**Primary Lobbyist:** [Dolfie, Derek](#)**Policy Committee :** [EQ](#)

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

League Position Letter(s) & City Sample Letter(s):[AB 755 \(Holden\) Assembly Floor Alert - Support 5.22.19](#)[AB 755 \(Holden\) Support, Asm. Appropriations, 5-8-19](#)**AB 836 (Wicks D) Wildfire Smoke Clean Air Centers for Vulnerable Populations Incentive Pilot Program.**

Would establish until January 1, 2025, the Wildfire Smoke Clean Air Centers for Vulnerable Populations Incentive Pilot Program, to be administered by the State Air Resources Board, to provide funding through a grant program to retrofit ventilation systems to create a network of clean air centers in order to mitigate the adverse public health impacts due to wildfires and other smoke events, as specified. The bill would specify that moneys for the program would be available upon appropriation, and that the implementation of these provisions is contingent upon an appropriation by the Legislature in the annual Budget Act or another statute for this purpose.

League Position: Support**Primary Lobbyist:** [Dolfie, Derek](#)**Policy Committee :** [EQ](#)

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

League Position Letter(s) & City Sample Letter(s):[AB 836 \(Wicks\) CITY SAMPLE Signature Request 9.17.19](#)[AB 836 \(Wicks\) Signature Request 9.17.19](#)[AB 836 \(Wicks\) Support. Sen. Approps. 8.20.19](#)

AB 1080 (Gonzalez D) Solid waste: packaging and products.

Would enact the California Circular Economy and Pollution Reduction Act, which would impose a comprehensive regulatory scheme on producers, retailers, and wholesalers of single-use packaging, as defined, and priority single-use products, as defined, to be administered by the department. As part of that regulatory scheme, the bill would require the department, before January 1, 2024, to adopt regulations that require producers, as defined, (1) to source reduce, to the maximum extent feasible, single-use packaging and priority single-use products, and (2) to ensure that all single-use packaging and priority single-use products that are manufactured on or after January 1, 2030, and that are offered for sale, sold, distributed, or imported in or into California are recyclable or compostable.

League Position: Support**Primary Lobbyist:** [Dolfie, Derek](#)**Policy Committee :** [EQ](#)

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	2 year	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

League Position Letter(s) & City Sample Letter(s):[AB 1080 \(Gonzalez\) Coalition Floor Alert 9-13-19](#)[AB 1080 \(Gonzalez\) Local Gov Floor Alert 9.12.19](#)[AB 1080 \(Gonzalez\) Local Gov Floor Alert 9.10.19](#)[AB 1080 \(Gonzalez\) Support, Sen. Approps. 8.20.19](#)[AB 1080 \(Gonzalez\) Support, City Sample Sen. Approps., 7-9-19](#)[AB 1080 \(Gonzalez\) Support, Sen. Approps., 7-9-19](#)[AB 1080 \(Gonzalez\) Support, Sen. Env. Quality, 6-26-19](#)[AB 1080 \(Gonzalez\) SAMPLE Support, Sen. Env. Quality, 6-26-19](#)[AB 1080 \(Gonzalez\) Local Gov. Floor Alert Support 5.28.19](#)[AB 1080 \(Gonzalez\) CITY SAMPLE Support Letter Author 5-20-19](#)[AB 1080 \(Gonzalez\) Local Gov. Floor Alert Support](#)[AB 1080 \(Gonzalez\) CITY SAMPLE Support Letter Asm. Approps 4-30-19](#)[AB 1080 \(Gonzalez\) Support Letter Asm. Approps 4-30-19](#)**SB 45 (Allen D) Wildfire Prevention, Safe Drinking Water, Drought Preparation, and Flood Protection Bond Act of 2020.**

Would enact the Wildfire Prevention, Safe Drinking Water, Drought Preparation, and Flood Protection Bond Act of 2020, which, if approved by the voters, would authorize the issuance of bonds in the amount of \$4,189,000,000 pursuant to the State General Obligation Bond Law to finance projects for a wildfire prevention, safe drinking water, drought preparation, and flood protection program.

League Position: Pending**Primary Lobbyist:** [Dolfie, Derek](#)**Policy Committee :** [EQ](#)

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

SB 54 (Allen D) Solid waste: packaging and products.

Would enact the California Circular Economy and Pollution Reduction Act, which would impose a comprehensive regulatory scheme on producers, retailers, and wholesalers of single-use packaging, as defined, and priority single-use products, as defined, to be administered by the Department of Resources Recycling and Recovery. As part of that regulatory scheme, the bill would require the department, before January 1, 2024, to adopt regulations that require producers, as defined, (1) to source reduce, to the maximum extent feasible, single-use packaging and priority single-use products, and (2) to ensure that all single-use packaging and priority single-use products that are manufactured on or after January 1, 2030, and that are offered for sale, sold, distributed, or imported in or into California are recyclable or compostable.

League Position: Support**Primary Lobbyist:** [Dolfie, Derek](#)**Policy Committee :** [EQ](#)

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	2 year	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

League Position Letter(s) & City Sample Letter(s):[SB 54 Coalition Floor Alert 9.13.19](#)[SB 54 \(Allen\) Local Gov. Floor Alert Support 9-12-19](#)[SB 54 \(Allen\) Local Gov. Floor Alert Support 9-10-19](#)[SB 54 \(Allen\) Support. Asm. Approps. 8.20.19](#)[SB 54 \(Allen\) Support, City Sample Asm. Approps, 7-9-19](#)[SB 54 \(Allen\) Support, Asm. Approps, 7-9-19](#)[SB 54 \(Allen\) Support, Asm. Natural Resources, 6-26-19](#)[SB 54 \(Allen\) Sample Support, Asm. Natural Resources, 6-26-19](#)[SB 54 \(Allen\) Local Gov. Floor Alert Support 5-28-19](#)[SB 54 \(Allen\) CITY SAMPLE Support Letter Author 5-20-19](#)[SB 54 \(Allen\) Local Gov. Floor Alert Support 5-20-19](#)[SB 54 \(Allen\) CITY SAMPLE Support Letter Sen Approps 4-30-19](#)[SB 54 \(Allen\) Support Letter 4-30-19](#)**SB 200 (Monning D) Drinking water.**

Would establish the Safe and Affordable Drinking Water Fund in the State Treasury to help water systems provide an adequate and affordable supply of safe drinking water in both the near and the long terms. The bill would authorize the State Water Resources Control Board to provide for the deposit into the fund of certain moneys and would continuously appropriate the moneys in the fund to the state board for grants, loans, contracts, or services to assist eligible recipients.

League Position: Support**Primary Lobbyist:** [Dolfie, Derek](#)**Policy Committee :** [EQ](#)

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

League Position Letter(s) & City Sample Letter(s):[SB 200 Support Floor Alert 7.5.19](#)[SB 200 \(Monning\) Support Asm ESTM 6.28.19](#)

SB 205 (Hertzberg D) Business licenses: stormwater discharge compliance.

Would require, when applying to a city or a county for an initial business license or business license renewal, a person who conducts a business operation that is a regulated industry to demonstrate enrollment with the NPDES permit program by providing specified information, under penalty of perjury, on the application, including, among other things, the Standard Industrial Classification Code for the business. The bill would apply to all applications for initial business licenses and business license renewals submitted on and after January 1, 2020.

League Position: Removal of
Opposition

Primary Lobbyist: [Dolfie, Derek](#)

Policy Committee : [EQ](#)

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

League Position Letter(s) & City Sample Letter(s):

[SB 205 \(Hertzberg\) Removal of Opposition 8/28/19](#)

[SB 205 \(Hertzberg\) OUA, Asm. ESTM 6/12/19](#)

[SB 205 \(Hertzberg\) Concerns, Sen. Approps., 4/9/19](#)

[SB 205 \(Hertzberg\) Industrial Stormwater Permit: Non-Filers \(3.19.19\)](#)

SB 209 (Dodd D) Office of Emergency Services: Wildfire Forecast and Threat Intelligence Integration Center.

Would require the Office of Emergency Services and the Department of Forestry and Fire Protection to jointly establish and lead the Wildfire Forecast and Threat Intelligence Integration Center, comprised of representatives from specified state and other entities. The bill would require the center to serve as the state's integrated central organizing hub for wildfire forecasting, weather information, and threat intelligence gathering, analysis, and dissemination and to coordinate wildfire threat intelligence and data sharing, as provided. The bill would also require the center to, among other things, develop a statewide wildfire forecast and threat intelligence strategy, as provided, and protect and safeguard sensitive information. The bill would make various findings and declarations in this regard.

League Position: Support

Primary Lobbyist: [Dolfie, Derek](#)

Policy Committee : [EQ](#)

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

League Position Letter(s) & City Sample Letter(s):

[SB 209 \(Dodd\) CITY SAMPLE Signature Request 9.17.19](#)

[SB 209 \(Dodd\) Signature Request 9.17.19](#)

[SB 209 \(Dodd\) Support, Asm. Approps., 7-22-19](#)

[SB 209 \(Dodd\) Support Asm. UE 7-1-19](#)

[SB 209 \(Dodd\) CITY SAMPLE Support, Sen. Approps., 5-9-19](#)

[SB 209 \(Dodd\) Support, Sen. Approps., 5-9-19](#)

[SB 209 \(Dodd\) CITY SAMPLE Support letter 4.16.19](#)

[SB 209 \(Dodd\) Letter of Support 4-16-19](#)

SB 332 (Hertzberg D) Wastewater treatment: recycled water.

Would declare, except in compliance with the bill's provisions, that the discharge of treated wastewater from ocean outfalls is a waste and unreasonable use of water. The bill would require each wastewater treatment facility that discharges through an ocean outfall and affiliated water suppliers to reduce the facility's annual flow as compared to the average annual wastewater discharge baseline volume, as prescribed, by at least 50% on or before January 1, 2030, and by at least 95% on or before January 1, 2040. The bill would subject the owner or operator of a wastewater treatment facility, as well as the affiliated water suppliers, to a civil penalty of \$2,000 per acre-foot of water above the required reduction in overall volume discharge for the failure to meet these deadlines.

League Position: Oppose**Primary Lobbyist:** [Dolfie, Derek](#)**Policy Committee :** [EQ](#)

Desk	Policy	2 year	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

League Position Letter(s) & City Sample Letter(s):[SB 332 \(Hertzberg\) Coalition Oppose Sen Approps 5.6.19](#)[SB 332 \(Hertzberg\) CITY SAMPLE Oppose Sen Judiciary 4.10.19](#)[SB 332 \(Hertzberg\) Coalition Oppose Sen Judiciary 4.9.19](#)**SB 515 (Caballero D) Public Utilities Commission: high hazard zone fuel: report.**

Current law requires each electrical corporation to annually prepare a wildfire mitigation plan and to submit its plan to the commission for review and approval, as specified. Current law requires that an electrical corporation's wildfire mitigation plan include plans for vegetation management. Current law requires the Public Utilities Commission and the Department of Forestry and Fire Protection to enter into a memorandum of understanding to cooperatively develop consistent approaches and share data related to fire prevention, safety, vegetation management, and energy distribution system. This bill would require the commission to submit a report to the appropriate policy committees of the Legislature on or before January 6, 2020, that contains specified information relating to high hazard zone fuel.

League Position: Support**Primary Lobbyist:** [Dolfie, Derek](#)**Policy Committee :** [EQ](#)

Desk	Policy	Fiscal	Floor	Desk	Policy	2 year	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

League Position Letter(s) & City Sample Letter(s):[SB 515 \(Caballero\) CITY SAMPLE Asm U&E Support 6-21-19](#)[SB 515 \(Caballero\) Coalition Support 6-4-19](#)[SB 515 \(Caballero\) Coalition Support 4-17-19](#)[SB 515 \(Caballero\) Author Coalition Support 3.26.19](#)

SB 667 (Hueso D) Greenhouse gases: recycling infrastructure and facilities.

Would require the Department of Resources Recycling and Recovery to develop, on or before January 1, 2021, and would authorize the department to amend, a 5-year needs assessment to support innovation and technological and infrastructure development, in order to meet specified organic waste reduction and recycling targets, as provided. The bill would require, on or before June 1, 2021, the department, in coordination with the Treasurer and the California Pollution Control Financing Authority, to develop financial incentive mechanisms, including, among other mechanisms, loans and incentive payments, to fund and accelerate public and private capital towards organic waste diversion and recycling infrastructure.

League Position: Support**Primary Lobbyist:** [Dolfie, Derek](#)**Policy Committee :** [EQ](#)

Desk	Policy	Fiscal	Floor	Desk	Policy	2 year	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

League Position Letter(s) & City Sample Letter(s):[SB 667 \(Hueso\) Coalition Support Letter 8.14.19](#)[SB 667 \(Hueso\) Coalition Support Letter 6-14-19](#)[SB 667 \(Hueso\) Support Coalition Floor Alert 5-21-19](#)[SB 667 \(Hueso\) Support Sen EQ 4.10.19](#)[SB 667 \(Hueso\) CITY SAMPLE Support Sen EQ 4.10.19](#)**SB 669 (Caballero D) Water quality: Safe Drinking Water Fund.**

Would establish the Safe Drinking Water Fund in the State Treasury and would provide that moneys in the fund are continuously appropriated to the State Water Resources Control Board. The bill would require the state board to administer the fund to assist community water systems in disadvantaged communities that are chronically noncompliant relative to the federal and state drinking water standards and do not have the financial capacity to pay for operation and maintenance costs to comply with those standards, as specified.

League Position: Support**Primary Lobbyist:** [Dolfie, Derek](#)**Policy Committee :** [EQ](#)

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

League Position Letter(s) & City Sample Letter(s):[SB 669 \(Caballero\) CITY SAMPLE Support, Sen. Approps., 5-9-19](#)[SB 669 \(Caballero\) Support, Sen. Approps., 5-9-19](#)[SB 669 \(Caballero\) Support, Sen. Gov Organization, 4-19-19](#)[SB 669 \(Caballero\) CITY SAMPLE Support Sen GO 4.10.19](#)[SB 669 \(Caballero\) Sen EQ 4.8.19](#)

Total Measures: 14

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