



CALIFORNIA
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TOGETHER TOWARD tomorrow



CSMFO Annual Report

2021



CSMFO Annual Report 2021

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Executive Reports

2021 President Message

Marcus Pimentel, County of Santa Cruz

As I began marking the end of my presidential year on stage in San Diego on February 16, 2022, I was overwhelmed with gratitude for how collectively and successfully navigate CSMFO through another pandemic scarred year.

It all seemed so clear in January 2020 at the Anaheim conference when I pointed north and sang (horribly) “Do you know the way to San Jose?” Well, you did, but we never got there physically. But where we did get to, might have been even better. I sit today so proud and absolutely humbled by what we achieved together in 2021.

Our 2021 Together Toward Tomorrow conference theme in hindsight contained the life hack on how to thrive through 2021, despite the struggles we faced. We’d do it together, moving methodically day by day.

It started with our 2021 Host Committee and staff planning dual tracks for an in-person conference in San Jose and a virtual platform option. In 2020, there were not many CSMFO like virtual conference models to learn from, so we pushed ourselves to imagine what success looked and felt like. So, when the time came to “pivot” to a virtual conference, the Host Committee was prepared and ready. By the time day one came on February 16, 2021, we were ready. We exceed our budgeted attendance and net profit estimates with 1,293 attendees and \$158,897 in profit.

We recognized our Distinguished Service Award honorees Harriet Commons and Melissa Manchester for their lasting impact on CSMFO. They were only the thirty-fifth and thirty-sixth recipients of CSMFO’s highest honor (and only the 8th and 9th woman honored). We recognized the 2020 Volunteers of the Year Debbie Rosales and Kim Scott for their Chapter Chair leadership through the pandemic shutdowns. And we were inspired by our keynote speakers, Rebecca Ryan and Rabia Siddique.

We took what we learned in the conference and used that to guide us through 2021. I especially valued our keynote speaker Rebecca Ryan and her counseling that we’re now in the “Messy Middle.” In this period, she recommended that we must shift our mindset from thinking of pivoting, because that’s behind us now. Instead, we needed to embrace the Ox spirit and move forward with steady strategic progress.

Unfortunately, that approach and our 2021 strategic action plan was tested when we were unexpectedly faced with how to plan and ultimately say goodbye to our Executive Director Melissa Manchester by December 2021.

Melissa’s legacy of success was marked by CSMFO’s success over her 13 years of service. She guided CSMFO and Past Presidents, including myself, with her CSMFO history, passion, and strategic focus guided by serving all our members. And she also used her own life experiences to give us an often missing perspective to our

typical financial mindsets. Although we were sad to say goodbye, we were thankful for her time and assistance with preparing for this change. And I’m happy for her new career opportunity and know she’ll continue to excel and help members and clients alike.

After absorbing all these realities, CSMFO did what CSMFO does, we paused, we learned, we adapted, we planned, and we focused on how to “Make it Happen” and turned 2021 into a “Mission: Possible”. Which led us to finish the year with a net profit of \$291,534.

Following are some notable highlights of the year in how CSMFO stayed Classy, Successful, Mentored, Fun, and Optimistic in 2021.

Optimism. Fortunately, CSMFO has a history of leaning into the optimism of “how we might” create success and overcome challenges. We succeeded in creating new value-add resources for our organization and members while maintaining our vision to be the preeminent resource for promoting excellence in government finance. We didn’t let all the pandemic triggered distractions deter us from our mission to serve our members.

Fun. CSMFO has always had its own definition of fun, in our case, collaborative hard work with fellow volunteers created relationships that brought joy, smiles, and connections to our lives.

We saw this in action when CSMFO expanded connections with commercial members and college students across the state. We launched a cohort program and immediately had to double the program to accommodate the interest we received. We celebrated our chapters who continued to connect with members across California, while introducing the value-add that CSMFO can bring to non-members.

We celebrated the return to connecting in person with our volunteer leadership, meeting in October at Disneyland for our two-day strategic planning and board meeting. And our leadership gathered together on our own dime for a game for the ages, SF Giants vs LA Dodgers, showing how to work well together despite our differences.

Mentorship. On top of the excitement around the re-launch of our mentorship program, 2021 reminded me just how valuable formal and informal mentorship can be. I was a part of so many conversations with current and former CSMFO heroes who helped guide me through my own CSMFO work as well as helping me better support the community I serve.

I was equally proud to represent CSMFO at our sister-association “virtual” conferences for Oregon and Washington. Not only did I learn from them about different structures for associations, I got some tips on the importance of having a right sized chain-saw to cut through fallen trees and about the “hard to believe” its true history of the Seattle Mariners.

As our mentorship program relaunches, I'm thrilled to see how our 2022 mentees will quickly find their pathway to help guide CSMFO in the near future.

Success. I'm proud what we achieved in 2021. We restarted our mentorship program, founded our commercial members roundtable, developed our first ever employment agreement to hire CSMFO's first employee (welcome again Jean Rousseau, our Executive Director), and created new webinars to help guide members. And we helped form a national pilot on association collaboration with Colorado, Michigan, Ohio, Washington, and Oregon.

All while sustaining our commitment to deliver rich training through programs like Budgeting in California, Beginning & Intermediate Accounting, Investing, Fundamentals of Tax Revenue and other webinars that included topics like internal controls, CalPERS actuarial reports, GASB 87 lease implementation, pension obligation bonds, accounting for capital assets, and the fundamentals of fees, rates, changes & land-based financing.

And we published over 80 CSMFO News articles while reviewing countless financial report and budgets resulting in recognizing over 100 agencies for their reporting excellence.

And we now stand on the verge of going live later in 2022 with our first ever CSMFO Learning Management System. This CSMFO investment will be another value-add benefit to our members to help them in their own career development.

Classy. CSMFO has always stayed classy! We have a long tradition of honoring our individual strengths and creating the space for diversity of opinions and experiences. And, in the last decade we have prioritized the time to pause and really say "Thank You" to the volunteers who make our culture so addictive and an often-safe place where we can find joy and feel appreciated.

I want to begin with thanking each of you, our members across counties, cities, districts, commercial partners, in schools and retired but still supporting us. It was my honor to humbly serve you in 2021.

Speaking of honor, I was proud to recognize our 2021 Volunteers of the Year, Amber Johnson, Chief Financial Officer for County Connection and CSMFO Student Engagement Committee Chair and Mark Petrasso, Senior Vice President - Business Development at Zions Bank and co-founder of CSMFO's Commercial Member Roundtable. And I'm so proud for how the City of Cupertino was recognize with the Innovation of the Year award for providing their community the online resident tax collector and budget projection tool.

Thank you to all our CSMFO leadership who guided us together through 2021. Thank you to our committee volunteers and especially to our Committee Chairs, Vice Chairs and Senior Advisors. Thank you to the Chapter Chairs

and Vice Chairs who helped our 20 chapters across California be a safe place to learn and connect locally. Thank you to our appointees who attended and represented CSMFO at the League of California Cities (Cal Cities).

And thank you to our commercial partners whose sponsorships and advertisements helped CSMFO retain its recognition as the best value for highest quality training and resources.

I am incredibly grateful to our Board of Directors for their time, their vision, and leadership throughout 2021. I have a deeper respect for each of you and it was my honor to serve by your side. Thank you to Craig Boyer (County of Alameda), Grace Castaneda (City of Belmont), Will Fuentes (City of Campbell), Karla Romero (City of Brawley), Ernie Reyna (City of Perris), Stephen Parker (City of Upland), Steve Heide, who served as Past President (Chino Valley Fire District); and Scott Catlett, who served as President-Elect (City of Newport Beach).

I want to extend a special thank you to our 2022 President Scott Catlett for bringing us back together in person in San Diego and raising our expectations for technical content and engagement.

It makes me eager to see how our 2023 President Rich Lee will meet this expectation while reintroducing our members to northern hospitality in Sacramento.

Thank you to Past-President Steve Heide for guiding me and all of us through 2021 with wisdom and the right words at the right time with the right perspective.

Thank you to my parents Tony & Belle whose immigration path still inspires me today. Thank you to my daughters Kaitlynn and Kirsten who offered their youthful wisdom and optimism, and especially to my life and my wife Laurie, who patiently supported me, even when I wasn't paying our family the attention they deserved.

I'm so glad this isn't goodbye and look forward to living up to the standards of Past Presidents like Mary Bradly, Bill Statler, Janet Salvetti, Viki Copeland, Laura Nomura, Pamela Arends-King, Jesse Takahashi, John Adams, Margaret Moggia and Joan Michaels Aguilar who continue to passionately volunteer their time serving all CSMFO embers.

"How lucky I am to have something that makes saying goodbye so hard."- Winnie the Pooh.

TTFN.

Marcus Pimentel

Past President Message

*Steve Heide, Finance Director, Chino Valley Fire District
Immediate Past President*

At our CSMFO annual conferences, the last official act of the outgoing association president is to pass the gavel to the incoming president for the new year. Last February, I handed the gavel to 2021 CSMFO President Marcus Pimentel. Of course, the annual conference and the gavel exchange, for that matter, were conducted virtually last year, as were the vast majority of CSMFO's other meetings and trainings in 2021.

In addition to sitting on the Executive Committee of the Board, the immediate past president serves as the Chapter Chair Liaison, in support of our 20 regional chapters. In spite of the ongoing uncertainties and challenges associated with the pandemic, our chapter chairs once again rose to the occasion in delivering outstanding content and providing for excellent networking opportunities for our members at the local chapter level. I believe the lone exception to the virtual chapter meeting format in 2021 was an in-person chapter meeting in June in Dinuba, held by the South San Joaquin Chapter.

One of the other official roles of the immediate past president is to chair the Annual Conference Site Selection Committee. I am pleased to report that during this past year, the Board approved the sites for both our 2024 and 2025 annual conferences: the Disneyland Hotel in Anaheim, and the San Jose Convention Center in San Jose, respectively. Including our 2023 conference scheduled for Sacramento, we have some fantabulous conference sites lined up for the next three years.

As I take this opportunity to reflect with gratitude on my tenure on the CSMFO Board of Directors, I'm humbled by the awesome experience and would like to thank the membership for their trust and confidence during my time on the Board. I'd also like to extend my congratulations and offer my support to our newly elected board members. It has been my pleasure to serve this great organization, and I look forward to remaining active and engaged in this great professional association.

President Elect Message

Scott Catlett, Finance Director/Treasurer, City of Newport Beach

As CSMFO's 2021 President-Elect, I was excited to plan CSMFO's return to an in-person Annual Conference in San Diego slated for February 2022. The Host Committee began its efforts in early 2021, and spent many months working on every detail of the conference including retaining elements of CSMFO's first virtual conference in 2021. I owe my thanks to this group of volunteers for their assistance in making the 2022 Annual Conference a success.

In addition to planning the 2022 Annual Conference, my other significant task during my year as President-Elect was to organize the 2021 Strategic Planning Retreat. CSMFO's leaders gathered at Disneyland in October 2021 for a facilitated discussion about the future of our organization. We left that session energized about the future and with a Strategic Action Plan focused on three core areas:

- Innovation and the Future
- Leadership Identification and Development
- Communication and Organizational Effectiveness

Twenty goals were established for the CSMFO leadership to achieve in 2022, and I am confident that we will achieve them given the outstanding group of volunteers who make this organization so special.

The final significant CSMFO activity that required my time in 2021 was the recruitment of CSMFO's first employee – Executive Director Jean Rousseau. Early in 2021, we began developing the process that ultimately led to Jean's selection. In partnership with the selection committee and later the CSMFO Board, we navigated uncharted waters as we evaluated a strong pool of candidates and arrived at our choice. I am excited about our CSMFO future with Jean heading up our staff.

I will close with a thank you to Melissa Manchester, who served CSMFO as our Executive Director for over a decade through many challenges and triumphs. We would not be the organization that we are today without her passion for this organization and its members.

Jean M. Rousseau, CPA

It is a privilege to help present the 2021 CSMFO Annual Report. The annual report is an opportunity to communicate to members the number of initiatives our volunteer organization accomplished over the last year.

Since I started as Executive Director on January 31, 2022, I have been impressed with the tremendous commitment and dedication from the members of the various Committees that keep CSMFO vibrant and moving forward. Some of the individuals participating in the Committees have been volunteering for well over 20 years. To find out more, please take the time to review the Committee Reports section of the report that highlights numerous action items being addressed by our Committees. If you find something of interest and you think you want to participate, please contact me at jean.rousseau@staff.csmfo.org and I will put you in touch with the respective Committee Chairs. We need all the help we can get.

Finally, I recommend you participate in your local CSMFO Chapter to network with fellow members and get an idea of what resources CSMFO has to offer. The Chapter Reports section highlights the activities of the more active chapters in the last year.





Committee Reports

CSMFO Annual Report

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Chair: Alberto Preciado, Citrus Heights Water District

Vice Chair: June Overholt, City of Glendora

Senior Advisor: John Adams, Eastern Municipal Water District

Board Liaison: Stephen Parker, City of Upland

The Administration Committee is charged with administering CSMFO's contracts, issuing requests for proposals or requests for bids, maintaining the various policy and procedures documents of the organization, and reviewing monthly financial statements and tax returns. The Committee is also responsible for miscellaneous special projects at the direction of the Board of Directors. During 2021, the Committee continued to perform its core functions.

The Administration Committee participated in the drafting and revision of various contracts in 2021. The Committee reviewed the Harriet Commons contract to add services in support of the Community Development Committee to her scope of work; following the approval of this amendment, the Administration Committee worked with Smith, Moore, and Associates to amend their contract, eliminating Amendments 3 and 4 from their contract, as these pertained to duties covered in the Commons contract. The Administration Committee also worked with Smith, Moore, and Associates to draft an agreement for the repayment of a loan issued under Amendment 2 of their contract.

The Committee assisted in issuing a Request for Proposals for services related to the recruitment of an Executive Director. The Administration Committee also participated in the selection of CPS-HR to perform these services, and the review of their contract. Additionally, the Committee issued a Request for Proposals for audit services, and selected Richardson & Company LLP to continue to provide CSMFO with audit services under the supervision of a new audit partner. The Committee drafted a contract for these services.

In order to better keep track of contract expiration dates, the Administration Committee began using a contract tracking form containing all of CSMFO's contracts. The periodic review of this form will assist the Committee in ensuring its contracts and those under the responsibility of other committees are kept current and reviewed prior to expiration.

The Administration Committee also completed a comprehensive review and update to CSMFO's Policy and Procedures Manual. The Committee added a section for Board of Directors Proclamations, but also made significant updates to the Accounting section, section XIII. In addition, the Administration Committee completed changes to the Records Retention Policy, and worked with Smith, Moore, and Associates to establish online bill pay as a method for paying CSMFO's vendors more efficiently.

Finally, the Administration Committee, along with input from the Membership Committee analyzed CSMFO's dues structure, comparing it to that of similar agencies such as the Government Finance Officers Association and the California Municipal Treasurers Association. The Committee provided suggestions for how the dues could be used to fund specific expenses or initiatives, and potential benchmarks to use for determining when increases are needed. A subcommittee comprised of Administration Committee and Membership Committee members was formed to further study and develop a plan to update the dues structure.

We would like to sincerely thank the volunteers that contributed to all the work put forth by this committee during 2021, without whom this work could not have been completed: John Adams, Mary Bradley, Felicia Galindo, Troy Grunklee, June Overholt, Stephen Parker, and Mike Sung. Furthermore, we would like to extend our deepest appreciation to Melissa Manchester for her many years assisting the Administration Committee in her role as Executive Director.

Career Development Committee

Chair: Laura Nomura, Eastern Municipal Water District

Vice Chairs: Nick Kurns, Scotts Valley Water District and Grace Zheng, City of Mountain View

Senior Advisor: Mary Bradley, City of Fremont and Margaret Moggia, West Basin Municipal Water District

Board Liaison: Grace Castaneda, City of Belmont

One of the core elements of the CSMFO's mission is to provide continuing education and professional development. Each year, hundreds of members take advantage of high quality, low cost, and CPE-qualified professional training. In 2021, the Career Development Committee continued to support CSMFO's mission by providing a variety of training opportunities to our members.

With the pandemic continuing in 2021, we continued offering all our core course curriculum virtually. In 2021, seven of our core courses were provided throughout the year, as follows:

- Introduction to Governmental Accounting (four sessions)
- Intermediate Accounting (five sessions)
- Budgeting Course I (two sessions)
- Budgeting Course 2 (two sessions)
- Investment Accounting (one session)
- Fundamentals of Tax Revenues (one session)
- Fundamentals of Fees, Rates, Charges & Land-Based Financing (one session)

Utilizing the virtual platform has provided the opportunity to reach many of our members in remote areas. In the past, these individuals might have been unable to attend due to the distance and time commuting to an in-person session. Prior to virtual instruction, for in-person instruction, we would need a minimum of 25-30 participants to support the costs associated with providing training (instructor fees, meals, etc.). Many times, we had to cancel the class due to lack of sign-ups. Today in the virtual environment, our class sizes have ranged from a low of 35 to a high of 83; during 2021, CSMFO provided core course training to almost 1,000 members across California. For 2022, we plan to add to our virtual core course offerings two new course offerings, which include Accounting for Capital Assets and a pilot Leadership Training Program. In addition, working with Michael Coleman and our partners from HdL, we are re-vamping our Fundamentals of Tax Revenues course to reflect more current information on this topic.

The CSMFO Webinar Program was successfully executed in 2021 with the help of our business partner, Government Finance Officers Association. Craig Lesner from GFOA is our moderator for our webinar program. During 2021, the committee executed 10 CSMFO webinars – another banner year in providing webinar content to our membership. We estimate participation in our webinars reached over 3,300 locations. The following were the 2021 webinar offerings:

- Tracking and Accounting for Capital Assets
- What Every Finance Officer Needs to Know about Risk Management (Part 1)
- Pension Obligation Bonds – Are They Right for Your Agency?
- What Every Finance Officer Needs to Know about Risk Management (Part 2)
- The American Rescue Plan Act (ARPA) Update
- CalPERS Asset Liability Management Quarterly Webinar
- Accounting for Lease Accruals Under GASB 87
- Interpreting and Communicating the New CalPERS Actuarial Report
- Here Today, Gone Tomorrow: Internal Control Enhancements
- California State and Local Economic and Fiscal Outlook

The Weekend Training Program takes place in mid-November and alternates annually between locations in Northern and Southern California. Due to state restrictions for in-person gatherings due to the pandemic, in 2020 and 2021 we were not able to offer this program. For 2022, weekend training is a “wait and see” depending on where COVID-19 takes us. Should we get half-way through the year with less restrictions, we will consider the possibility of providing weekend training in the Fall or Winter of 2022.

In addition to these programs, the Committee executed the planning and implementation of many of the three-year strategic goals established by the Board for 2019 - 2021. Many of the multi-year projects have progressed or are on deck to be implemented. These include a revamped coaching and mentoring program, a Certified Professional Finance Officer Program (partnering with GFOA), and implementing a learning management system to streamline training administration. Some of these strategic objectives will carry into the new strategic plan adopted by the Board in February 2022.

In closing, I would like to thank all the members of the CDC committee, Harriet Commons, Craig Lesner (GFOA), Kory Adams (SMA), and our core course instructors for your tireless work to provide world-class training to our membership during another challenging year. I would also like to thank the Board of Directors for their unwavering support in executing our CDC programs.

Chair: James Russell-Field (Fairfield-Suisun Sewer District)

Vice Chair: Kofi Antobam (City of Rancho Mirage)

Vice Chair: Yolanda Rodriguez (Retired)

Senior Advisors / Editors: David Cain (CSMFO Lifer) & Wing-See Fox (Urban Futures Inc.)

Board Liaisons / Editor: Karla Romero (City of Brawley) & Marcus Pimentel (County of Santa Cruz)

The Communications Committee completed another successful year, continuing to focus on sharing relevant and timely information through CSMFO News and social media, especially in a fast-changing environment accelerated by the COVID-19 pandemic.

Between February 2021 and January 2022, 91 articles were published through CSMFO News, plus the Annual Conference Edition. The Communications Committee focused on content that pushed breaking news, shared technical tips and insights, supported the CSMFO Annual Conference and Chapters, and highlighted Past Presidents and CSMFO Committee initiatives.

CSMFO continued to bolster its presence on social media, republishing CSMFO News content through Facebook, LinkedIn, and Instagram. In addition to CSMFO News content, CSMFO utilized social media for events and challenges, such as the Week of Gratitude Virtual Event, Halloween costume sharing, STEPtember, Step into Spring, and more.

Strategic Work Plan

The Communications Committee had two items on the 2021 Strategic Work Plan:

1. Reevaluate the goal and purpose of CSMFO News
2. Analyze reach of CSMFO News to internal and external parties

In order to receive feedback on CSMFO News, the committee undertook a survey. The Communications Committee previously ran a survey from December 2019 through December 2020 that was focused on receiving feedback during the transition from the published magazine to the CSMFO News website. The new survey ran from July 2021 through August 2021, and consisted of 8 questions, including two short answers.

Survey results indicated that readers were generally satisfied with the content and timing of communication from CSMFO News. Many of the short answers indicated a desire for CSMFO News to focus more on technical content. As a result, the committee reviewed and reset the monthly content targets for CSMFO News for 2022 to better balance between technical and CSMFO-centric information.

In addition to the survey results, a feature was implemented at the bottom of each article called "Did you find this article helpful?" This feature will allow CSMFO News readers to indicate how helpful they found an article on a scale of 1-5 "smiley faces." The committee will be able to utilize the results of this feature to benchmark current content and drive future content.

Authors, Contributors, and Committee

The Communications Committee relies on the hard work and support of volunteers. Special thanks to the many authors who contributed to and/or published an article in the last year, and apologies if anyone was missed:

Marcus Pimentel, Melissa Manchester, Steve Heide, Kofi Antobam, David Cain, Yolanda Rodriguez, Joan Michaels Aguilar, James Russell-Field, Karla Romero, Scott Catlett, Jason Al-Imam, Brian Mohan, Michael Manno, Ernie Reyna, Neil Kupchin, Albert Preciado, Veronica Bustillos, Tim Seufert, Craig Boyer, Dan Buffalo, Amber Johnson, Andy Flores, Kim Sitton, Andre Aberdeen, Taylor Samuelson, Nick Kurns, Bryan Gruber, Debby Cherney, Todd Tauzer, Victoria Beatley, Margaret Moggia, Stephanie Reimer, Jennifer Ustation, Chuck Gallagher, Marques Ogden, Kevin Harper, Rich Lee, Brent Sakaida, Jodi Coco, Joe Colgan, Nicole Kissam, Karan Reid, as well as features from each CSMFO Committee.

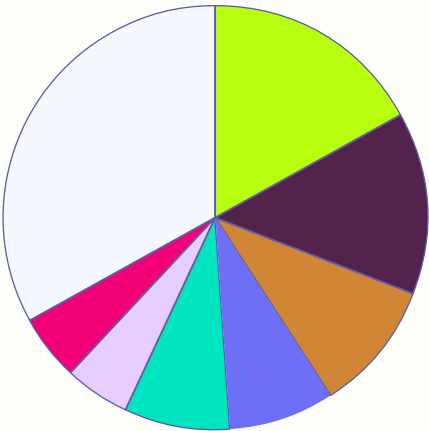
The Communications Committee operates under a very short turnaround for publishing content. Thank you to our committee members who are willing to write, coordinate, and plan content for CSMFO News.

(Continued on next page)

Communications Committee (Continued)

Stats

- CSMFO News Articles Published: 91
- Most Viewed CSMFO News Articles (not conference related):
 - BREAKING NEWS: COVID-19 Relief & Accessing Your American Rescue Plan (ARP) Funding (532 views)
 - CSMFO | 2021 Board Election Results (481 views)
 - President-Elect's Message | August 2021 (415 views)
 - It's a Choice – A Pension Obligation Bond story (410 views)
 - GASB Changes Name of Report to "Annual Comprehensive Financial Report" (397 views)
- Facebook
 - 607 Page Likes
 - 63.5% Women 36.5% Men
 - Most engagements from Women ages 45-54
 - Post with the most interactions:
 - Karla's Editor's Alley on 2/5/21 (57 likes and interactions)
 - 2020 CSMFO Award Program recipients
 - 2021 CSMFO Strategic Planning Session article
- LinkedIn
 - 1,299 visitors to our linkedin page via mobile phone and 729 visitors via desktop.
 - 17% of our page visitors are Finance ■
 - 14% Accounting ■
 - 10% Business Development ■
 - 8% Marketing ■
 - 8% Sales ■
 - 5% Customer Success and Support ■
 - 5% Administrative ■
 - The rest is other: Education, Consulting, Operations, etc. ■
 - We've had 1,598 Reactions in 2021. 150 shares of our posts. and 69 comments.
- Instagram
 - 156 followers.
 - Posts received 5-10 likes on average



Chair: Jennifer Wakeman, City of Lafayette
Vice Chair: Monte Vista Water District
Vice Chair: Kate Zawadzki, City of Dixon
Senior Advisor, Steve Heide, Chino Valley Fire District
Board Liaison: Karla Romero, City of Brawley

The tremendous thoughtfulness and enthusiasm of the 2021 Membership Committee members resulted in significant enhancements for CSMFO members, as well as a change in this committee's role. Historically, this committee has been seen as administrative in nature; following up on non-renewed memberships, tracking member counts, and facilitating feedback from members on ways to add value. In the last couple years, the Membership Committee has redefined its role and responsibilities in a way that is more engaged, innovative, and collaborative. This committee now works to demonstrate the value of CSMFO membership to individuals spanning from students interested in a municipal finance career through all classifications to the most tenured Finance Directors and Agency Managers. This committee elevates the reputation and influence of CSMFO by means of a positive feedback loop based upon the communication and delivery of value-add external and internal resources that will grow the membership organically. This redefinition is exhibited in the ambitious list of initiatives addressed by this passionate group of dedicated CSMFO professionals.

Carried over from the 2020 to the 2021 Action Plan was the initiative to ensure avenues for member-to-member connectivity. This initiative was carried out through the development of a pilot cohort program, continuation of virtual engagement activities, and development of a one-on-one mentoring program.

- The Committee pursued development of member cohorts and received approval from the Board for a pilot program in 2021. A single cohort of 20 members was anticipated for the pilot cohort year, however, after receiving 40+ applications, committee members chose to organize two separate pilot cohort groups. Each pilot cohort group participated in monthly meetings from May 2021 through a graduation scheduled for March 2022. The agendas focused on the development of specific professional skills, provided resource perspectives from City Managers/General Managers, and included watercooler time and break-out sessions, not to mention handy selfie reference postcards and a book exchange. The cohort planning subcommittee spent countless hours outlining programs, filling in details, developing content, confirming speakers, and being resources to cohort members. The effort was rewarded when the

Board authorized continuation of the cohort program. As a next step, a survey will be set out to participants this month to build feedback into the 2022 program.

- Virtual engagement activities were expanded in 2021 building off the momentum gained in 2020 where CSMFO saw stronger engagement from members in geographically remote areas who were now able to participate with virtual access. Activities offered in the year were a push up challenge, step challenge, virtual golf competition, and a gratitude challenge. The rollout of virtual engagement opportunities was challenging with continuous evaluation of cost versus level of participation. However, much success was found in the development of activities that pushed the committee to be creative and work outside normal comfort zones.
- Much of the first half of 2021 was spent researching and developing a one-on-one mentorship program. The subcommittee spent a tremendous amount of time identifying the key components for value and success, outlined thoughtful applications, planned resource webinars for mentees and mentors, and created communication pieces to both groups that would facilitate supported implementation. In mid-2021, the Board approved the mentorship proposal, with advertisements and applications going out in November/December 2021. The Membership Committee eagerly anticipates the inaugural year of this program, which will kick off with approximately 40 pairings.
- In addition, as the mentorship program was being developed, the Career Development Committee was building out a coaching program. To streamline communications with CSMFO members regarding the myriad programs and their specific intentions, Membership Committee, with SMA staff, developed the "CSMFO Connect" marketing concept. Under the "CSMFO Connect" umbrella are descriptions for the following programs: coaching, cohorts, training, and mentorship. Communication in this manner will hopefully, alleviate confusion across the programs and help members identify their development opportunities more readily.

Membership Committee *(Continued)*

New to the 2021 Action Plan was an initiative for creating an incentive for membership with consideration for; ensuring CSMFO members receive value beyond what non-members receive and development of member versus non-member pricing policies. The subcommittee has been very thoughtful and inclusive working through how to address this initiative. Currently a joint subcommittee of Membership, Administration, and Finance Committee members is convening and has the resources needed to develop a framework that will inform the policies and recommendations that will likely be taken to the Board in early-2022.

In addition to the 2021 Action Plan initiatives, the Membership Committee also built programs for commercial member roundtables and outreach to participating non-members, while also handling responsibilities for the 2022 Annual Conference.

- In recognition of the value commercial members bring to CSMFO, the Membership Committee created space to hear directly from these members on a regular basis. To that end, 3 meetings were held for commercial members in 2021. For 2022, these meetings will be

held on the third Tuesday of every 3rd month at 3pm.

- Something that the Membership Committee has ruminated on for awhile is the number of non-members who regularly participate in CSMFO programs and how we can entice them into membership. Outreach was conducted with many of these individuals and holes identified in the process that we were using to identify recipients. In 2022, the committee hopes to clean-up this process and adhere to a regular schedule of outreach.
- Per standard practice, the Membership Committee worked on design of the CSMFO booth in the exhibit hall and on the procurement of conference swag to be handed out. For the 2022 Annual Conference the Membership Committee has also partnered with the Student Engagement Committee in the hosting of a hospitality room for first-time attendees and students.

Membership Committee's intentions for 2022 will be to ensure the sustainability of new programs, address the 2022 Action Plan items under our purview, and hopefully,

Professional Standards Committee

Chair: Jason Al-Imam, City of Tustin

Vice Chair: Thomas Hays, Eastern Municipal Water District

Senior Advisor: Jesse Takahashi, City of Mountain View

Board Liaison: Grace Castaneda, City of Belmont

The Professional Standards Committee operates as a technical resource to CSMFO members by keeping CSMFO members informed of emerging issues and best practices through "Committee Highlights". Committee Highlights provide succinct information (approximately 250 words or less) on hot topics, while directing members to other resources such as GFOA Best Practices, CSMFO webinars, GASB Pronouncements, etc. In 2021, the Professional Standards Committee also began publishing "Quick Hits", which are short-videos (approximately 10 minutes or less) that provide additional content for members on emerging issues and best practices.

The Committee is comprised of municipal and commercial members that are assigned to one of the following six practice areas:

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

The Committee published Committee Highlights on the following topics in 2021:

- Single Audit Guidance Related to COVID-19 Awards
- GASB Public Hearings on the Financial Reporting Model Improvements Exposure Draft
- 2021 RAISE Grants
- ARPA Reporting Guidance and Revenue Recognition
- COVID-19s Long-Term Impact on Actuarial Assumptions
- Government Industry Alert Coronavirus State and Local Fiscal Recovery Funds
- GASB Changes Name of Report to Annual Comprehensive Financial Report
- New Restrictions on Development Impact Fees on Housing

The Committee also published "Quick Hits" videos on the following topics in 2021:

- SEC Expands Access to Private Market Securities for State and Local Governments presented by Marty Margolis, Chief Investment Officer for PFM Asset Management
- The Road Ahead for Managing Rising Pension Costs presented by Charles Francis, Former Finance Director and Rachel Sanders, Senior Manager for PARS

In closing, I would like to thank all the members of the Professional Standards Committee for their efforts during my years as a committee chair.

Chair: Karan Reid, City of Concord

Vice Chairs: Dennis Kauffman, City of Roseville; Margaret O'Brien, City of Oakland

Senior Advisors: David Cain, Retired; Viki Copeland, City of Hermosa Beach

Board Liaison: Will Fuentes, City of Campbell

After a successful virtual Annual Conference February 16-18, 2021, the Program Committee was energized to begin planning for the 2022 Annual CSMFO Conference, "Discover CSMFO, Exploring Our Financial Future" in San Diego. The Committee began meeting in April 2021 and members were thrilled to be planning an in-person experience! In addition, building on the success and momentum of the 2021 virtual conference, a virtual conference component was added for March 2022 to broaden opportunities for those unable to attend the in-person event or for those attendees looking to attend additional sessions.

As a result, the Committee was planning program content for two related events. Keynote speakers and fundamental, technical sessions were selected to be recorded at the in-person event and replayed at the virtual event in March. The speakers whose sessions were recorded participated in the virtual event so that attendees could receive continuing education credit.

The Call for Sessions kicked off on May 11 and the Committee received just under 100 submissions. The continuing pandemic resulted in many challenges to planning for the conference program: some speakers dropped out due to health concerns and continuing restrictions; the need to coordinate sessions for the virtual conference; and addressing ongoing changes to restrictions for indoor gatherings. However, the Committee was focused on providing high quality educational content and the program offered 48 concurrent sessions over three days, including three "early bird" sessions Wednesday morning, with a variety of topics and speakers from which to choose.

In addition, four pre-conference sessions were offered: Sharpening Fiscal Foresight...Through the Lens of Priority Based Budgeting; Becoming a "Debt"-I Master: Controlling Your Next Municipal Debt Issuance; The Art of Communicating for Finance Officers: Building the Skills to Speak and Write to Influence Decision Makers; and Where do You Want to be Tomorrow, or Next Year? Career Advancement Through the Lens of Professionals Who Can Help Get You There. Overall, attendees had the opportunity to earn up to 22.5 hours of Continuing Professional Education (CPE) during the in-person conference and an additional 12 credits during the virtual event, scheduled in March.

A big thank you to Harriet Commons, who kept us organized, on track and handled all of the never-ending details that ensured the success of both the in-person and virtual conferences. Special thanks to all of the members of the Program Committee for your commitment, support and enthusiasm in planning the 2022 Annual Conference program.

Recognition Committee

Chair: Michael Manno, City of Santa Cruz

Vice Chair: Lorena Lopez, Beaumont-Cherry Valley Water District

Senior Advisor: Yolanda Rodriguez, Beaumont-Cherry Valley Water District (Retired)

Board Liaison: Craig Boyer, County of Alameda

The Recognition Committee oversees managing and promoting the CSMFO Awards Program, which includes the Operating and Capital Budget Awards and the Annual Comprehensive Financial Report (ACFR) and Innovation Award Programs. The success of the Recognition Committee relies heavily on volunteers from participating agencies to help review budget applications.

Goals Achieved in 2021

The 2021 Award Season was another extraordinarily successful year. During 2021, the Recognition Committee team processed and paired one hundred twenty-seven (127) applications from agencies to volunteer reviewers, of which one hundred six (106) applications were for the Operating Budget Award Program, nineteen (19) for the Capital Budget Award Program, one (1) for the Innovation Award Program, and one (1) for the Annual Comprehensive Financial Report (ACFR) Award Program. The Committee received eight (8) first time applications, which was up from four (4) the prior year. The number of total applications increased approximately 18 percent from the prior year.

1. **Launch of Physical Award:** The Recognition Committee listens to and takes actions on the concerns and desires of the Awards Program participants. In 2020, the Committee conducted a survey to see if agencies would be interested in a physical award, and the response indicated that many agencies would like a physical award, in addition to the current electronic certificate. The Committee currently provides electronic awards and makes them available to award winning agencies via the Awards Force software system at any time. This is extremely helpful, as change in management occurs in agencies, while the Awards Force software system stays consistent and accessible.

In 2021, the Committee proudly launched the physical award option. Applicants now have the opportunity to purchase a physical plaque to showcase their accomplishments in the CSMFO Budget Award program. When an agency purchases the physical award, the agency receives both a perpetual plate and an annual head plate. The annual head plate, which displays the award year, is affixed to the perpetual plate. Once an agency purchases the original physical award, the annual head plate must still be purchased every year. During the course of 2021, eighteen (18) physical awards were ordered from sixteen (16) different agencies. Two agencies pur-

chased physical awards for their accomplishments in both the operating and capital budget categories. The Committee will work on promoting and generating interest in the physical awards and in increasing the number of physical awards purchased during the upcoming award seasons.

2. **Innovation Award News Release:** In 2020, the Recognition Committee developed, and got Board approval for, a News Release template for Innovation Award winning agencies. In 2021, the Committee was pleased to present the Innovation Award News Release to the two (2) 2020 Innovation Award winners and the one (1) 2021 Innovation Award winner.
3. **Other Press Releases:** The Committee continued its work on creating press release letters for first time Operating and Capital Budget award winners and for first time ACFR award winners. The press releases are in draft form and will be finalized and presented to the Board in 2022.
4. **Volunteer Outreach:** The volunteer outreach efforts by Committee members continued in 2021. With the continuation of the pandemic and limited in person gatherings, volunteer outreach efforts have continued to be challenging. In 2021, the Committee had a pool of 114 volunteer reviewers, which is a decrease from the prior year. In an effort to recruit additional budget reviewers, two emails were sent through the Awards Force software system and one through the CSMFO list serve asking for additional volunteer budget reviewers. With more applications to review, and less available volunteer reviewers, many reviewers volunteered to review more than one budget.

It is the Committee's goal to ensure that each agency that submits a budget for an award has a minimum of one volunteer reviewer. During the 2021 award season, Committee members ensured that each and every application provided a reviewer. If a reviewer was not provided in the application, the agency was contacted and a reviewer was requested. Frequently, the individual submitting the application will volunteer a different individual to perform the review. In this instances, the individual that was named on the application was contacted to let them know that they have been named as their agency's reviewer and to expect a review assignment. Going forward, it is imperative that the Committee continue to ensure that all submitted applications provide the name and contact information for at least one volunteer reviewer.

During 2021, the composition of the Committee changed. The Committee lost one member, while two new members joined the Committee team.

5. **Volunteer Recognition:** The Recognition Committee relies on the commitment and dedication of the volunteers to help with annual Budget and ACFR award considerations. Every year, the Committee's intention is to somehow thank and recognize these committed volunteers. To continue this recognition, volunteers will once again receive a volunteer ribbon at the annual conference. During 2021, the annual conference was virtual, so the Committee decided to acknowledge volunteer reviewers with an electronic acknowledgement in the form of a "Thank You" certificate. One hundred three electronic certificates were emailed to the reviewers. Overall, the reviewers were extremely appreciative of the certificate, as the Committee received approximately 50 thank you emails. As a result of the success and popularity of the electronic "Thank You" certificate, the Committee will once again email the volunteer certificate to each volunteer who so selflessly gave their time for budget reviews.

In the continuous effort to seek volunteers, the Committee developed and submitted an article that was published in the CSMFO newsletter. The article articulated how to become a budget reviewer, what a budget reviewer does, the time it typically takes to proficiently review a budget, and what a budget reviewer can learn and take away from the process. As a result of the article, the Committee received five new budget review volunteers.

6. **Succession Plan:** In 2021, the Committee continued enhancing the Quality Control document and the Succession Plan, which includes a Manual for the Committee members and leadership. The enhancement of these documents will continue in 2022 to ensure that transition in Committee members and Leadership flow smoothly.

Goals for 2022

1. **Volunteer Recognition:** The success of the Committee and the Awards Program is largely dependent on our volunteers. The Committee is continuing to find ways of acknowledging the Awards Program volunteers. As part of the 2021 CSMFO Goal/Priority Action Item, the Committee was tasked with developing new and creative ways of recognizing all of the various volunteers of the organization (i.e., chapter chairs, Board members, Committee members, the individual who reviewed the most budgets, etc.). The Committee will continue to develop and work on this action item in 2022.
2. **Volunteer Outreach:** It is imperative that the Committee retain our current volunteers and attract additional volunteers. The Committee continues to proactively seek volunteers. With the success of the 2021 CSMFO newsletter article, it is recommended

that the Committee publish an annual recruitment article detailing the benefits, the expectations, and the time required to proficiently review a budget.

3. **Physical Award:** In 2021, the Committee launched the physical award option. The Committee will attempt to generate additional interest in this option and increase the number of physical awards ordered.
4. **Sample Document Review and Update:** The CSMFO website has a webpage called "Review Guidelines and Sample Documents." This is an outstanding resource, as the purpose of this page is to aid members in the budget awards process by providing review guidelines and sample documents relating to Operating Budget Award Sections A and B of the budget reviewer guidelines. Each link on the page corresponds to the questions in the Operating Budget Award Application. When a reviewer clicks on the link, not only does it show what the criteria are for earning full points on each and every question, but it also provides a sample of a document that meets the criteria for earning full points. Unfortunately, the criteria and samples provided are from budgets that date back to the year 2000. This resource needs to be examined and updated. An updated resource will be beneficial to not only budget reviewers, but to also applicants of the program.
5. **Transparency Award:** The Committee will work on finalizing and promoting a Transparency Award. The purpose of this Award is to recognize governmental agencies that promote transparency in operations and reporting.

Concluding Remarks

The Recognition Committee would like to thank CSMFO Executive Director, Melissa Manchester, and all SMA staff for their continued support to the Recognition Committee. The success of the Recognition Committee and its Awards program is due to the hard work of each Committee member and we are profoundly grateful for their commitment, as well as the continued support of Craig Boyer, Board Liaison, and Yolanda Rodriguez, Senior Advisor, who always so willingly have provided guidance and support to the Recognition Committee leaders. Thanks also, of course, to our magnificent budget review volunteers, as they are the reason this program continues to be successful.

Student Engagement Committee

Chair: Amber Johnson, Central Contra Costa Transit Authority

Vice Chair: Vanessa Portillo, City of Livingston

Senior Advisor: Jennifer Wakeman, City of Lafayette

Board Liaison: Craig Boyer, County of Alameda

The Student Engagement Committee is a relatively new committee to CSMFO, having been established in 2020 after two years as an ad-hoc working group. The purpose of the Student Engagement Committee is to engage the next generation of potential municipal finance officers – graduate and undergraduate students – to let them know about CSMFO, promote municipal finance as a rewarding career choice, and increase the number of student memberships.

Building on the great work performed by volunteers of the past three years, the Committee entered 2021 with the following primary goals:

1. Continue to build relationships with colleges and universities; seek opportunities to speak to students about CSMFO – in classrooms, at school-wide recruitment events, and at student association meetings.
2. Continue to enhance the CSMFO internship program.
3. Develop content for the student listserv to engage student members and encourage participation.

School relationships and presentation opportunities

While the COVID pandemic continued to affect the availability of in-person interaction, this Committee remained very active in attending virtual opportunities to interact with students. Approximately 130 students were reached throughout the State at 12 school-sponsored virtual events – with Committee members and other CSMFO members volunteering to speak at career fairs, meet the firms events, accounting society meetings, and classroom presentations. CSMFO volunteer speakers utilized a presentation template developed by this Committee in 2019, which has proven invaluable in bringing an organized and consistent CSMFO message to students. The Committee has enjoyed the flexibility of participating in virtual events, but also values the benefit of in-person interaction and is ready to switch gears once in-person activities resume across the State.

The “San Diego” Effort – During the year, the Committee noted that many of the opportunities to interact with students were coming from schools in Southern California that were in close proximity to the City of Anaheim. These opportunities appear to have arisen from outreach made in 2019 to Anaheim area schools, inviting local students to apply for conference scholarships. Upon realizing this connection, the Committee developed a plan to duplicate this scholarship outreach effort, focusing on thirteen San Diego-area schools in preparation for the 2022 conference. While there has not yet been a significant number of students utilizing the scholarship opportunity to date, the Committee is confident that the groundwork laid with these schools will continue to produce opportunities for connections in the years to come.

Enhancing the internship program – Committee members also worked to improve CSMFO's internship program. Changes were successfully made to CSMFO's website, making it easier for interns and employers to

connect with each other through CSMFO. In May 2021, a CSMFO news article was published sharing how easy it is for employers to post internships to the CSMFO website for free. The Committee sees great value to student members in internships – the more that CSMFO can provide links to these opportunities, the more valuable CSMFO becomes to student members and potential new student members.

Develop content for the student listserv – Efforts to engage students on the student listserv were not as effective as the Committee hoped they would be. Despite efforts of a sub-committee to develop content and encourage student participation in the listserv, this did not grow to become an active resource for students to network and share resources in the same way that traditional CSMFO members do. The Committee did note that students seem to utilize the LinkedIn platform for this type of community engagement and therefore encourages all CSMFO members to keep students in mind when posting content to their own LinkedIn pages, as a way of reaching students in a place where they are already gathered and sharing information.

Creation of additional resources – To complement and round out the efforts of the Committee over the past four years, an internal Communication Plan document was created. This document is a resource to current and future Committee members, providing tools such as presentations, e-mail templates, cold call scripts and marketing materials, as a way provide continuity and ensure that future volunteers do not have to reinvent this content. As a living document, the Communication Plan will continue to be revised and improved with time.

The Student Engagement Committee is excited to see what the new year will bring for student members and CSMFO as a whole and is dedicated to working towards the long-term goal of a self-reinforcing cycle for student engagement.

Chair: Gloriann Sasser, Moraga-Orinda Fire Protection District

Vice Chair: Vacant

Senior Advisor: Rich Lee, City of San Mateo

Board Liaison: Ernie Reyna, City of Perris

The CSMFO Technology Committee serves to enhance the effectiveness and use of technology by CSMFO and its member agencies in exchanging information, increasing productivity and enhancing member services. The Technology Committee also works with the organization association to maintain a CSMFO internet presence, website content, Knowledge Base, facilitate information sharing among members, undertake special projects as directed by the Executive Committee or Board of Directors and coordinates with and supports the other committees of the organization.

This year, the Technology Committee focused on and accomplished the following:

1. Investigate Learning Management Systems

- In conjunction with the Career Development Committee, the Technology Committee investigated and evaluated three learning management systems.
- A learning management system recommendation was submitted for Board consideration.

2. Knowledge Base

- Encouraged participation and use by the membership.

3. CSMFO Website

- Evaluated and implemented improvements to the website.

Effective 2022, the Technology Committee is merged into the Administration Committee.



League Policy Committee Reports

CSMFO Annual Report

2021

Submitted by Arwen Wacht, City of Sacramento

The Committee met four times during 2021 and at each meeting received a general briefing on the latest legislative and budgetary matters affecting cities, and also Cal Cities strategic priorities. The committee also addressed the following items at each meeting:

January 14th:

The committee adopted the following items as their 2021 work program:

- Solid waste and recycling;
 - Climate change mitigation and adaptation;
 - Energy and utilities; and
 - Emergency/disaster preparedness and response.
- The committee had an open dialog about local climate initiatives and opportunities for cities in the climate mitigation and adaptation space.
- Cal Cities staff updated the committee on the Governor's budget proposal for the 2021-22 fiscal year and the climate resiliency budget priorities, which centered on wildfire preparedness and forest management, and electric vehicle deployment.
- Cal Cities staff discussed bills related to solid waste and recycling, energy and utilities, wildfires and forest management, sea level rise and coastal issues, climate change, and hazardous materials

April 8th:

(Due to the large number items to be discussed and presented, this meeting was split into two sessions):

The committee took action on the following items:

- AB 897 (Mullin) – Encourages regional climate adaptation planning - The committee voted to support the measure.
- SB 1 (Atkins) – Establishing new planning, assessment, funding and mitigation tools for California to address and respond to sea level rise - The committee voted to support the measure.

April 15th:

The committee took action on the following items:

- SB 412 (Ochoa Bogh)- Expands the definition of an emergency under the CEQA to include efforts to prevent, mitigate, and minimize disasters – The committee voted to support the measure with some requested clarifications.
- The committee had a discussion on funding climate measures in your community.
- Neal Reardon, Director of Regulatory Affairs for Sonoma Clean Power present on how local governments can improve grid reliability and resilience through Community Choice Aggregation (CCA).

June 3rd:

- SoCal Gas presented and fielded questions from the committee on what their company is doing to sequester carbon, their use and production of renewable natural gas, and transition towards a clean energy future.
- The committee took action on the following items:
 - SB 533 (Stern) Electrical Corporations. Wildfire Mitigation Plans. Deenergization Events. Microgrids – The Committee voted to support the measure.
 - ACA 7 (Murtasuchi) Local Government. Police Power. Municipal Affairs. Land Use and Zoning – The committee voted to concur with the Housing, Community, and Economic Development Committee's recommendation on ACA 7 (Murtasuchi), and to allow the EQ Chair to appoint members of the EQ policy committee to the working group on ACA 7
- Cal Cities staff presented a new policy for the consideration on microgrids and how they play into city energy resiliency. The committee passed the following policy language:
 - Microgrids: Cal Cities supports the use and deployment of microgrids, especially as a tool to aid energy resiliency and disaster preparedness.

League of California Cities: Housing, Community, and Economic Development (HCED) Policy Committee

Submitted by Will Fuentes, City of Campbell

Summary of 2021 Chapter Events

The principle behind the policies reviewed by the Committee on Housing, Community and Economic Development (HCED) is to foster local control of community planning decisions as they relate to land use and economic development. The issues within the purview of the HCED Committee include general plans and zoning, housing affordability, rent control, subdivision map act, residential care facilities, other land use regulation, development fees including school fee adequacy, annexation and incorporation policy, development agreements, building standards including seismic safety standards, economic development policy including redevelopment and enterprise zones, military base closure and reuse, mobile home regulation, and sign regulation.

During calendar year 2021, the HCED Policy Committee held five (5) meetings on January 14, January 29, April 15, June 3, and September 15. The overall theme for the 2021 meetings was discuss legislation and policy related to the Committee's core responsibilities and to support the League's 2021 Strategic Advocacy Priorities, as outlined and listed below:

1. Secure state and federal funding for local COVID-19 public health response and economic recovery for all.
2. Secure funding to increase the supply and affordability of housing and resources to assist individuals at risk of – or already experiencing – homelessness while preserving local decision making.
3. Improve state-local coordination and planning to strengthen community disaster preparedness, resiliency, and recovery
4. Protect and modernize critical infrastructure

January 14 – This meeting was focused on training and new Committee member orientation and discussion of the following State legislation:

- 12SB 9 (Atkins) Housing Development Approvals: Duplexes and Lot Splits.
- SB 55 (Stern) Very High Fire Hazard Severity Zone: State Responsibility Area: Development Prohibition.

In addition to supporting the Cal Cities' Strategic Goals, the HCED Policy Committee adopted the following items as their work program:

- Economic Development Post COVID-19
 - Job Creation and Economic Stimulus
 - Funding to Assist Small Businesses Recover From COVID-19
- Increase Housing Supply For All Income Levels
- Regional Housing Needs Assessment (RHNA) Process
- Protect/Enhance Local Land Use Authority

January 29 – This meeting provided an opportunity for Committee members to receive a 2020 Legislative and Budget Update and to discuss the following State legislation:

- SB 9 (Atkins) Housing Development Approvals: Duplexes and Lot Splits.
- SB 55 (Stern) Very High Fire Hazard Severity Zone: State Responsibility Area: Development Prohibition.

April 15 – During this meeting, Cal Cities staff provided a State Budget and American Rescue Plan (ARPA) Update and briefed the Committee on action items for consideration. The Committee took the following actions:

- AB 1220 (Rivas, Luz) Office to End Homelessness. This measure would rename the Homeless Coordinating and Financing Council and make numerous other changes, including expanding membership and enhancing interagency coordination. A motion was made to support AB 1220 if amended. The amendments were as follows: 1) add a representative from a general law city and a charter city to the Council's advisory committee; and 2) add a representative from police and fire service to the Council's advisory committee. The motion carried 45-1.
- SB 621 (Eggman) Hotel and Motel Conversions. This measure would require a local government to ministerially approve a development application to convert a non-residential hotel or motel into multifamily housing. These units could be for rent or for sale. A motion was made to oppose SB 621. The motion carried 37-9 with 1 abstain.

The following State legislation was also discussed:

- SB 9 (Atkins) Housing Development Approvals.
- SB 809 (Allen) Multijurisdictional Regional Agreements. Housing Elements.
- AB 215 (Chiu) Prohousing Designations.
- AB 602 (Grayson) Development Fees.
- AB 989 (Gabriel) Housing Appeals Committee
- AB 1401 (Friedman) Parking Requirements

June 3 – During this meeting, Cal Cities staff provided a State Budget update and the Committee discussed Economic Development during the COVID-19 pandemic and the following State legislation and other Bills of interest:

- SB 9 (Atkins) Housing Development Approvals.
- AB 215 (Chiu) Prohousing Designations.
- AB 989 (Gabriel) Housing Appeals Committee

September 15 – During this meeting, the Committee discussed Annual Conference Resolution No. 2:

A RESOLUTION CALLING UPON THE GOVERNOR AND THE LEGISLATURE TO PROVIDE NECESSARY FUNDING FOR CUPC TO FULFILL ITS OBLIGATION TO INSPECT RAILROAD LINES TO ENSURE THAT OPERATORS ARE REMOVING ILLEGAL DUMPING, GRAFFITI AND HOMELESS ENCAMPMENTS THAT DEGRADE THE QUALITY OF LIFE AND RESULTS IN INCREASED PUBLIC SAFETY CONCERNS FOR COMMUNITIES AND NEIGHBORHOODS THAT ADJACENT TO THE RAILROAD RIGHT-OF-WAY

There was lengthy discussion held on this resolution and a number of amendments considered by the Committee, but consensus was ultimately not reached as to the position the Committee should take. The Committee requested that Cal Cities staff return at a later date with additional information and amendments to consider.

League of California Cities: Public Safety Committee

Submitted by Ernie Reyna, City of Perris

The Public Safety Committee met three times during calendar year 2021: Friday January 14; Friday, April 15, and Friday June 3. The following is a recap of the three meetings held in 2021:

January 14 – The first meeting of the year gave an overview of Parliamentary Procedures and Robert's Rules. There was also a Cal Cities 2021 Strategic Priorities where the League provided an update and stated priorities as follows:

- Secure state and federal funding for local Covid-19 public health response and economic recovery for all.
- Secure funding to increase the supply and affordability of housing and resources to assist individuals of – or already experiencing – homelessness while preserving local decision making.
- Improve state-local coordination and planning to strengthen community disaster preparedness, resiliency, and recover.
- Protect and modernize critical infrastructure.
- In addition, there was an adoption of the 2021 Work Program where committee members responded to an online survey illustrating the top priorities for the committee to focus on in the coming year. The committee unanimously adopted the following items as their work program:
- Police reform including 21st Century Policing, community relations, and funding;
- Additional tools and resources to address homelessness, mental health, domestic violence, drug rehabilitation, human trafficking, and workforce development for ex-offender reentry;
- Emergency and disaster preparedness and resiliency;
- Addressing crime rates

April 15 – The committee was briefed and took action on the following action items:

- First Responder Policy – related to how first responders respond to incidents involving people living with mental illness or experiencing substance use disorders.
- First Responder Policy – the second proposed policy for consideration also related to how first responders respond to incidents involving people living with mental illness or experiencing substance use disorders.
- Law Enforcement Policy – the third proposed policy for consideration related to law enforcement mental health screenings.

- Law Enforcement Policy – The fourth proposed policy for consideration related to law enforcement decertification.
- AB 89 – Peace Officer Education and Age Conditions for Employment (PEACE) Act. The committee considered AB 89, which would increase the minimum qualifying age for employment as a peace officer from 18 to 25 years of age unless the individual has a bachelor's or advanced degree from an accredited college or university. (Oppose)
- SB 387 – Law Enforcement Academic and Recruitment Next (LEARN) Act. This measure, sponsored by the California Police Chiefs Association, would require POST to work with stakeholders to develop a list of courses to include as requirements for obtaining a basic certificate. (Support)
- AB 603 – Law Enforcement Settlements and Judgments, would require municipalities to annually post information relating to settlements and judgments resulting from allegations of improper police conduct. (Oppose)
- AB 48 – Law Enforcement: Kinetic Energy Projectiles and Chemical Agents, would prohibit the use of kinetic energy projectiles or chemical agents to disperse any assembly, protest, or demonstration and would prohibit their use solely due to a violation of an imposed curfew, verbal threat, or non-compliance with a law enforcement directive. (Oppose)
- AB 594 – Law Enforcement Policies, would require all law enforcement agencies to conduct criminal investigation of specified force incidents and would prohibit a law enforcement agency from conducting the criminal investigation into those incidents involving officers of their own agency. (Watch)
- AB 718 – Peace Officers: Investigations of Misconduct, would require a law enforcement agency or oversight agency to complete and disclose findings of an investigation despite a peace officer's or custodial officer's voluntary separation from the employing agency. (Oppose)
- AB 60 – Public Safety Accountability Act, would create a decertification system within the Commission on Peace Officers Standards and Training (POST) to revoke the certification of officers if they are found guilty of serious misconduct. (Bring bill back to June meeting)

June 3 – At this meeting, the committee was given a presentation by the Department of Alcoholic Beverage Control (ABC). The speaker was Alex MacIraith, ABC Director of Legislation and Government Affairs. In addition, the committee received a presentation by the California District Attorneys Association (CDAA) by speaker Larry Morse, CDAA Legislative Director. Lastly, the committee was briefed and took action on the following items:

- SB 277 – Fireworks: Dangerous Fireworks: Seizure Management, which would expand the definition of a dangerous firework to include that contains and lead compounds and hexachlorobenzene, by expanding the scope of a crime, the bill would impose a state-mandated local program. (Watch)
- SB 314 – Alcoholic Beverages – current law authorizes the issuance of a caterer's permit, upon application to the Department of Alcoholic Beverage Control, to a licensee under an on-sale general license, an on-sale beer and wine license, a club license, or a veterans' club license, that authorizes the holder of the permit to sell alcoholic beverages at specified locations and events, including, among others, conventions, sporting events, and trade exhibits. Under existing law, licenses are required to first obtain consent from the department for sales of alcoholic beverages at each event in the form of a catering or event authorization. This bill would prohibit the issuance of catering authorization at any one premise for more than 36 events in one calendar year, except as specified. (Support)
- SB 389 – Alcoholic Beverages: Retail On-Sale License: Off-Sale Privileges, the Alcoholic Beverage Control Act, which is administered by the Department of Alcohol Beverage Control, regulates the application, issuance, and suspension of alcoholic beverage licenses. Current law authorizes a person holding an on-sale general license, with respect to beer and wine, and any on-sale license, with respect to the particular beverage or beverages mentioned in the license, to exercise the rights and privileges granted by an off-sale beer and wine license. This bill would, until December 31, 2026, authorize the holder of an on-sale license for a bona fide public eating place that has off-sale privileges, or a licensed beer manufacturer, licensed wine manufacturer, or licensed craft distiller that operates a bona fide eating place at its premises of production, to exercise the additional off-sale rights and privileges, subject to specified requirements. (Watch)
- SB 2 – Peace Officers: certification: civil rights – under current law, the Tom Bane Civil Rights Act, if a person or persons, whether or not acting color of law, interferes or attempts to interfere, by threats, intimidation, or coercion, with the exercise or enjoyment by an individual or individuals of rights secured by the Constitution or laws of the United States, or of the rights secured by the Constitution or laws of this state, the Attorney General, or any district or city attorney, is authorized to bring a civil action for injunctive and other appropriate equitable relief in the name of the people of the State of California, in order to protect the exercise or enjoyment of the right or rights secured. Current law also authorizes an action brought by the Attorney General, or any district or city attorney, to seek a penalty of \$25,000. Current law allows an individual to whose exercise or enjoyment of rights has been interfered with to prosecute a civil action for damages on their own behalf. This bill would eliminate certain provisions for peace officers and custodial officers, or public entities employing peace officers sued under the act. (Oppose)

The committee is slated for another three meetings in 2022, including Friday, February 11, Friday April 29, and Friday June 10.

Chapter Reports

CSMFO Annual Report

2021

Chair: Brigitte Elke, City of San Luis Obispo
Vice-Chair: Nadia Feeser, City of Pismo Beach

The Central Coast Chapter of CSMFO spans over a large geographical area including San Luis Obispo county as well as the northern parts of Santa Barbara County. This had traditionally led to sparse participation at Chapter meetings, especially from the areas north of the grade. During 2021, the Central Coast Chapter took full advantage of the online environment and saw an increase in participation as was evident during the last Chapter meeting in December 2020 which provided an update on sales tax as the Delta variant of Covid-19 began to rage. Though no stand-alone chapter sessions were held in 2021, members enjoyed the virtual conference and the multitude of webinars hosted by HdL on sales tax, U.S. Treasury on ARPA, and CalPERS on various changes to their policies. Chapter leadership worked with multiple consultants to allow chapter members to participate in their monthly economic and market updates to stay informed for their own budgeting and reporting to governing bodies. This was an efficient way to benefit from so many different parties providing updates and information during an uncertain and rapidly changing environment.

Though everybody missed the networking opportunities and social aspects of get-togethers, all agreed that 2021 was not the year to plan any in-person events.

In 2022, the Chapter already hosted a meeting on Covid-Economics, is scheduled to review an economic and market update in April and will review the legal challenges facing Utility User taxes in July. Given the success of the online meetings, we hope to continue on Zoom so that as many members as possible can benefit from these learning opportunities and remain engaged with important topics our industry faces.

Central Los Angeles & South-Bay Chapters

Chairs: Monica Lo, City of Brea, Joe Lillio, El Segundo & Jeff Muir, City of Beverly Hills (Vice Chair)

The Central-LA & South-Bay chapters continued to host joint meetings in 2021, all in an effort to increase both attendance and volunteer participation. Meetings are generally held on the fourth Thursdays of every other month. The chapters cover a densely populated geographic area that reaches north to the City of West Hollywood, east to the City of Industry, and south to the City of Long Beach; and encompasses 46 cities.

This past year has been a year of transitions. As we slowly recover from COVID-19, Monica Lo had also made a transition from the City of Whittier to the City of Brea in September 2021. However, due to her commitment to CSMFO for the past seven (7) years as Central LA Chapter Chair, Monica has agreed to continue chairing the Central-LA chapter until things return to normal or as long as necessary.

The Chapters had their first joint meeting on April 4, 2021 with Michael Busch, Chief Executive and Strategy Officer from Urban Futures Inc. (UFI). Mr. Busch presented the "Pension Management Strategy Update", which he provided an update on pension strategies and some lessons learned from 3-years of extensive pension analysis, policy/finding implementation. The meeting was held via zoom with an attendance of over 55 members and vendors.

On June 17, 2021, Michael Coleman provided an update on the latest in California local revenues, legislation, important legal cases, financial conditions and other issues of critical concern to municipal treasurers. Participants heard about the rules and trends in taxes, fees and other city revenues, the relationship with the state budget, problems and prospects for reform. The meeting was held via zoom with an attendance of over 60 members and vendors.

On October 21, 2021, Steven M. Berliner, Partner from Liebert Cassidy Whitmore provided presentation on "COVID 19 Vaccine Mandates – The Meet & Confer Aspects". This webinar was held on zoom with 75 registered municipal and commercial members and about 50 in attendance on that day.

Monica will continue to volunteer and serve as Chapter Chair for the Central LA chapter for 2022. Joe will continue to serve as the Chapter Chair for South Bay (LA) in 2022, with Jeff serving as the Vice Chair.

Channel Counties Chapter

Chair: Debbie Rosales, Las Virgenes Municipal Water District

Summary of 2021 Chapter Events

During 2021, the COVID-19 pandemic continued to put a damper on Channel Counties in person luncheon events. Channel Counties successfully hosted four virtual events, ending the year with the cancellation of our virtual holiday event. Total registered attendance for all meetings combined was 149 in 2021 (average 67 per meeting).

Our meetings were effectively held via Zoom conferencing technology. With the assistance of SMA and through participation by our members, the Chapter meeting dates and topics for 2021 were as follows:

March 4 – Margaret Moggia, CPA; Executive Manager of Finance for the West Basin Municipal Water District and Ryan Domino, CPA; Assurance Manager with Lance, Soll, Lundghard (LSL) CPA's partnered to provide an overview of how to get started and maintain capital-related data. We heard a unique case study of the West Basin Municipal Water District's experience managing their primary facility assets. Members learned how an organization separates assets. Participants learned ways to collaborate outside of their departments. Saw ways to leverage inter-connective opportunities. Gained understanding of best practices related to asset management from an auditing perspective and learned what our auditor is looking for in order to be best prepared when they request information, complete onsite visits, and review financials.

May 13 – Sarah Meacham, Managing Director, PFM Asset Management, LLC and David Walters, Senior Managing Consultant, PFM Asset Management LLC presented "When and How to Use Short-Term Investments vs. Bank Accounts" Participants learned about California Government Code-permitted options for short-term investing; identified differences between a money market fund or local government investment pool (LGIP) and a bank account; and listed best practices for using bank deposits, repurchase agreements, and LGIPs.

July 19 – The discussion provided a high level view describing the anatomy of ransomware and other destructive cyber-attacks and the recommended best practices to protect organizations. The recently released White Memo to Corporate Executives and Business Leaders urging a call to action will also be discussed along with the best practices highlighted in the President's May 2021 Executive Order on Improving the Nation's Cybersecurity.

Kristina Alfaro, Director of Admin Services, City of Cupertino and Zach Korach, Finance Manager, City of Cupertino shared "Here today, gone tomorrow – internal control enhancements. From implementing a new Enterprise Resource Planning (ERP) system to uncovering a fourteen-year embezzlement scheme, Kristina and Zach took us on a journey to the past, within the present, and into the future to better understand the importance of segregation of duties and how monitoring system user access can significantly improve your internal control environment.

Briana Schultz, Manager, Rogers Anderson Malody and Scott, LLP also joined us to discuss what auditors are really looking at when testing internal controls.

Chapter Goals for 2022

The Chapter is planning four events for the year. Our local goal is to reach at least the attendee count prior to 2019, as we return to in person meetings.

We hope to use these meetings to further the mission of CSMFO through education and networking opportunities.

Chapter Chair: Kofi Antobam, City of Rancho Mirage

Vice Chair: Claudia Martinez, City of La Quinta

2021 has been a challenging year for the Coachella Valley chapter, but we have continued to provide educational opportunities to our members and are looking forward to helping guide them through the recovery phase of the pandemic.

In 2021, Kofi Antobam, Chapter Chair and Director of Administrative Services with the City of Rancho Mirage and Claudia Martinez, Vice Chair and Finance Director with the City of La Quinta have collaborated to provide memorable educational opportunities for the Coachella Valley Chapter. We strive to provide amazing speakers and relevant topics while supporting our local finance professionals.

Thank you to all of our speakers and members for continuing to support the chapter and for their willingness to share acquired knowledge, passion for government finance and support for the profession. The Chapter would also like to thank CSMFO leadership who has provided support and guidance as we came across new challenges and the uncertainty of the future.

Below are summaries of the meetings held by the Chapter in 2021:

March 24, 2021

Topic: Property Tax Impacts of COVID-19 and Beyond

Speakers: HdL Coren and Cone: Paula Cone, President and David Schey, Vice President

Run by lead experts in the industry, this webinar demonstrated the importance of managing the impacts of COVID-19 related to property tax. Some of the key takeaways learned included property tax trends for 2021-22 & impacts of COVID-19, property tax revenue allocation basics and process, and information on the Chula Vista v. Sandoval case and impact on the residual revenue. This webinar catered to members with limited expertise in this area by providing the background and context of property taxes by starting with what is taxed and the timeline for the tax rolls. For members with a background in property tax, information was presented for both the Riverside County and San Bernardino areas and explained the history of sales projections and what is forecasted to happen along with what to consider as we develop our budgets in the upcoming years.

May 12, 2021

Topic: Navigating the Single Audit and New Requirements

Speaker: Eide Bailly: Kinnaly Soukhaseum, Assurance Partner and Jessica Andersen, Assurance Partner

The topic of audits can seem challenging and hard to understand, but Eide Bailly provided a fun and informative presentation. This webinar focused on requirements of a single audit and discuss the compliance requirements that are applicable to federal programs. In addition, they provided an overview of the new 2020 compliance supplement and addendum, including Coronavirus Relief Fund (CRF) and changes to the Uniform Guidance. The webinar included relevant examples, key internal controls and policy tips, and list of resources to assist with the preparation of audits. All members left this webinar ready to tackle their single audit and tips on how to help the process run smoother for both the auditing team and city staff.

August 25, 2021

Topic: Leading Virtually: Managing Change in the COVID and Post COVID World

Speaker: GovInvest: Dan Matusiewicz, Senior Pb Finance Consultant

For this webinar, we linked up with Imperial Valley and provided our members with a chance to network with a neighboring chapter on a relevant topic that finance professionals are facing today. This webinar focused on pension obligations – capital asset assumptions and long-term financial planning. It also provided a comprehensive discussion of how the discount rate being lowered to 6.8% and the ongoing Asset Liability Management (ALM) cycle recommendations impacts on outstanding pension obligations and annual contributions.

December 9, 2021

Topic: A Local Government Finance Update

Speaker: Michael Coleman

This was a joint meeting between the Coachella Valley, Inland Empire and Desert Mountain Chapters. The speaker reviewed ARPA funding uses, local tax and bond measure successes and failures from the prior election, key court decisions, revenue sources and upcoming things to look for. It was evident from the presentation that the pandemic may slow down the number of ballots measures in 2022. Key takeaways from the webinar included ARPA restrictions are for ARPA funds therefore, General funds can still be used to pay debt service, UAL, build reserves, etc. and that the failures of some cities or agencies on tax measures can stem from not using the proper code sections for ballot measures (e.g., Transaction and Use Tax not Sales Tax section).

Desert Mountain Chapter

Chair: Kim Scott, City of Victorville

Vice-Chair: Lori Lowrance, Phelan-Piñon Hills Community Services District

The Desert Mountain chapter is the largest, geographically, of the CSMFO chapters. Generally located East of the Sierras and North of San Bernardino, it also includes the highest (Mt. Whitney) and lowest (Death Valley) points in the state. The Desert-Mountain chapter has continued to be impacted by the ongoing COVID-19 restrictions much like other chapters have.

After the 2021 Virtual Conference, I was finding it difficult to get a consensus for meeting times and topics from our members. However, chapter chairs were in discussion about combining chapter meetings while on a virtual platform to make it easier for many to attend a topic and yet not overwhelm our already swamped members. This discussion evolved into three joint meetings with other chapters.

In May 2021, we joined forces with the larger Inland Empire chapter to host a presentation by Eide Bailly regarding Single Audits. This timely presentation by Kinnaly Soukhaseum and Cindy Byerrum brought 87 registrants for the meeting as several agencies are dealing with the Single Audit for the first time with the influx of COVID-19 funding from the government.

June 2021 brought a joint meeting with other close neighbors in the Orange County chapter. Many thanks to Katherine Lai and Hollis Hanson-Pollock of Crowe LLP for another timely presentation entitled "Solving the Fiduciary Identity Crises, a New Lease on Life and Other GASB updates". Hopefully, the many attendees came away from this presentation with a better understanding of the implementation of these new pronouncements.

With how busy our chapter members were, the consensus was to skip the September chapter meeting and meet again in December. For this meeting, we joined forces with both the Inland Empire and Coachella Valley Chapters for a virtual meeting with Michael Coleman on California revenue updates at his suggestion. He proceeded to not only give us information on the variety of tax revenues and the conditions of these in the various parts of Southern California, but also gave us information on various court cases that have impacted or may impact revenues.

With our chapter encompassing the largest area in square miles, the challenge is often in justifying attendance for a worthwhile topic with the commute time. The chapter plans were to offer four quarterly meetings, with longer meetings of four to five hours to make it worth the trip for those further away. Segments would be broken up with lunch in the middle for those who cannot stay the full time to be able to earn CPE credits for the time attended. Meetings are planned to be held at Victorville City Hall training rooms to start as this location is easily accessible to many, being just off the I-15 freeway. However, we had several comments from people on the virtual meetings continuing after restrictions are lifted as there is significant difficulty for travel. I expect to incorporate a mixture of shorter virtual and longer in-person meetings for future years to provide value to all our members once we have the restrictions and concerns currently placed on us through this pandemic.

We are still planning our speakers for 2022 as the first quarter meeting is planned for late March. We are also working with other chapters to combine for virtual offerings throughout the year. We welcome any suggestions and any volunteers to keep this chapter providing quality speakers and material to our members. Our goal is to create a strong connection throughout cities, districts, and our commercial partners in the area to promote growth through communication and involvement.

Eastbay Chapter

Chair: Margaret O'Brien, City of Oakland

Vice Chair: Craig Boyer, County of Alameda

During 2021, the Eastbay Chapter continued to hold periodic meetings via Zoom. The meetings held were:

March 18, 2021: CalPERS Headwinds – Capital Market Assumptions (CMAs) & Long Term Financial Planning

May 26, 2021: Mental Health Awareness and the Financial Health Connection

Financial wellness is ultimately about human behavior, and how that wellness is affected by, and dependent upon, social, emotional, and physical health. Academic research has shed light on just how impactful financial health is on people's overall wellbeing, especially as many Americans are grappling with financial issues at this time. Employees will leave the session with an understanding of the connection of mental and financial wellness, recommendations on how to recognize emerging mental health issues, ways to reduce stigma so the work environment is mentally healthy, and strategies for self-care. In addition, the training provides considerations and strategies for addressing both mental and financial health impacts.

October 20, 2021: Sales Tax Update with Ken Nordhoff from HdL.

The Chapter has scheduled its first meeting of 2022 and is looking forward to hosting in-person meetings soon.

Chair: Veronica Bustillos, City of San Bernardino Municipal Water Department

Vice Co-Chair: Dawn Burns, Chino Valley Fire District

Summary of 2021 Chapter Events

The COVID-19 pandemic continued to prevent Inland Empire chapters from attending in-person luncheon events in 2021. However, our IE leadership team managed to host six virtual events, wrapping up our 2021 program with Michael Coleman in December. The total registered attendance for all meetings in 2021 is 381 (64 average per meeting).

For the second year in a row, our meetings were effectively held via Zoom meeting technology during the coronavirus pandemic. We appreciate our SMA team for their training and involvement to help lift off this technological format to connect and engage with our members. The 2021 chapter meeting dates and topics are as follows:

January 21st – Sharon Rahban of Rahban CPA & Consulting presented on Credit Card Accountability. This presentation provided useful tips and techniques on how to prepare and implement an effective policy on credit/purchase card accountability. It also provided tips on what to look for when choosing a comprehensive credit card program or platform.

March 18th – Sarah Meacham of California Asset Management Program and David Walters of PFM Asset Management LLC presented on “When and How to Use Short-Term Investments versus Bank Accounts. The presentation provided a list of California Government Code-permitted options for short-term investing; identified differences between a money market fund or local government investment pool (LGIP) and a bank account; and listed best practices for using bank deposits, repurchase agreements, and LGIPs.

May 20th – Jessica Anderson and Kinnaly Soukhaseum, assurance partners at Eide Bailly LLP, presented the single audit requirements and compliance associated with the Corona Relief Fund. Through this session, participants learned about the requirements of a single audit and discussed the compliance requirements that are applicable to federal programs. Along with information about the new 2020 compliance supplement and addendum, including Coronavirus Relief Fund (CRF) and changes to the Uniform Guidance.

July 15th – Mindy Field and Tori Weeks from Prudential spoke on how financial wellness is ultimately about human behavior, and how that wellness is affected by, and dependent upon, social, emotional, and physical health. Academic research has shed light on just how impactful financial health is on people's wellbeing, especially as many Americans are grappling with financial issues at this time. Meeting participants obtained an understanding of the connection of mental and financial wellness, recommendations on how to recognize emerging mental health issues, ways to reduce stigma so the work environment is mentally healthy, and strategies for self-care. In addition, the training provided considerations and strategies for addressing both mental and financial health impacts.

September 16th – Cindy Belcher from Client First Consulting Group discussed how change management is a

vital tool that can be applied in both personal and professional situations. We explored the fundamentals of what a change management plan can do for your organization and why it plays an integral part in successfully implementing new business processes and core applications. Real world project lessons learned, as well as workforce challenges facing Cities/Counties today post-pandemic were highlighted during the roundtable discussion.

December 9th – Michael Coleman updated us on the latest in California local revenues, legislation, important legal cases, financial conditions and other issues of critical concern to municipal treasurers. He discussed the rules and trends in taxes, fees and other city revenues, the relationship with the state budget, problems, and prospects for reform. This event was a combined meeting with Desert Mountain and Coachella Valley chapters. We had over sixty virtual guest attendees.

Chapter Goals for 2022

The Chapter is planning six events again for the year, beginning with our first presentation in January on Cybersecurity by Ms. An Yu of JPMorgan Chase. While our goal is a to transition to in person meetings during 2022, our members requested to continue to hold both virtual and in-person meetings during our 2022 program.

As a part of the Inland Empire Chapter's continuing succession plan, we are excited to welcome Tori Roberts, Daisy Banuelos, and Barbara Whitehorn as coordinators on the IE Leadership team. We hope to provide them a wonderful experience on the team and allow them the opportunity to serve at a higher capacity in 2023 or at the very least introduce them to one of the several committees the organization has to offer.

Aligned with the CSMFO Student Engagement Committee, our goal as the IE Chapter is to continue to connect with students in local universities. This past November, members of the student engagement committee participated in a presentation to MPA students during one of the faculty member classroom session of the California State University at San Bernardino. During our 2021 program, we also had four students join our virtual meetings due to the flexibility of being online. We will strive to connect students with local CSMFO members and internship opportunities.

North Coast Chapter

Chair: Dan Buffalo, City of Ukiah

Vice Chair: Vacant

The North Coast chapter consists of the member agencies in the counties of Lake, Mendocino, Napa, Sonoma, and Marin. Like many other chapters throughout the state, our members are separated by significant geographic distances. This certainly has created challenges in meeting even with the betterment of distance meeting platforms, such as Zoom.

Our chapter held one meeting in 2021, a virtual event with presenters from Prudential discussing financial wellness and mental well-being. It was well attended with insightful information and resources provided to our chapter members. CPE credit was offered to those requesting it, and it was yet another wonderful opportunity to connect and catch up with colleagues across our chapter. Our goal for the 2022 is to hold at least one meeting each quarter, and at least one of those meetings in person.

Looking forward to 2022, our chapter will focus on strengthening connections between member agencies and to seek out strategies and engage in initiatives to create shared resources. Most notably, we will endeavor to develop a framework in which we can harness our chapter network connections to provide professional development and career advancement opportunities between sister agencies. To illustrate, when one agency has an opening and decides to recruit externally for it, our chapter would provide a listing from all other member agencies of personnel who may be ready for such an opportunity to take the next step in their career with a new agency without necessarily having to relocate geographically. In effect, by combining a listing of personnel for our entire network, recruitment efforts may be more productive and successful.

We are excited to report out the results and outcomes of these types of initiatives in 2023.

Orange County Chapter

Chair: Michelle Bannigan, City of Stanton

Vice Chair: Barbara Arenado, City of Irvine

The Orange County Chapter meetings continued to meet virtually throughout 2021. The Orange County Chapter held six meetings during 2021, which included a joint meeting with the Desert Mountain Chapter in June. The average attendance was 55. The meetings held were:

January 27, 2021 "Development Impact Fee Overview and Compliance Affordable Housing In-Lieu Fees" presented by Alison Bouley, PE, Senior Director, and Dima Galkin, Project Manager, with Harris & Associates (27 RSVP)

March 24, 2021 "A Finance Directors' Panel on COVID-19 Impacts to Their Organizations" with Erica Castillo, Controller, Santa Margarita Water District; Cheryl Dyas, Administrative Services Director, City of Mission Viejo; and Kelly Telford, Director of Finance, City of Seal Beach (59 RSVP)

June 23, 2021 "Solving the Fiduciary Identity Crisis (GASB 84), a New Lease on Life (GASB 87), and Other GASB Updates!" presented by Kathy Lai, Partner, and Hollis Hanson-Pollock, Senior Manager, with Crowe LLP (49 RSVP)

August 25, 2021 "Annual Update from Our CalPERS Actuary" presented by Kerry Worgan, Supervising Pension Actuary, CalPERS (42 RSVP)

October 20, 2021 "Finance Directors: Tips for Working with Your City Clerk and City Attorney" presented by Donesia Gause-Aldana, City Clerk for City of Riverside; HongDao Nguyen, City Attorney with Best Best & Krieger

LLP; and Tarik Rahmani, Finance Director for City of Carson (65 RSVP)

December 8, 2021 "See Change Clearly: Building Resilient Finance Teams" presented by Jacob Green with Jacob Green & Associates (88 RSVP) The first 25 registrants for the December meeting received a complimentary copy of Mr. Green's book, *Seeing Change Clearly: Leveraging Adversity to Sharpen Your Vision and Build Resilient Teams*.

We would like to offer our deep appreciation to our presenters who set aside their time to share their topics with our members. In addition, we are grateful for the continued generosity of our commercial vendors who faithfully provided gift cards and other items to be raffled at our meetings.

Finally, I would like to personally thank the members of the Chapter's Planning Committee: Barbara Arenado, Jenny Leisz (City of Tustin), Veronica Villasenor (JP Morgan Chase & Co.), and Stephen Parker (City of Upland). Thank you for your support and assistance in coordinating the events for 2021 such as brainstorming topics for discussion and reaching out to presenters.

Also, a big thank you to Smith Moore & Associates, particularly Kory Adams, without whom none of the virtual meetings would have been possible. Thanks for your patience and customer service throughout the year. As 2021 ends, we are looking forward to 2022 where we are planning a "hybrid" approach alternating between virtual and in-person chapter meetings.

Chapter Chair: Alberto Preciado, Citrus Heights Water District

Chapter Vice-Chair: Vacant

The Sacramento Valley Chapter (SVC) continued to experience significant challenges during 2021, as the effects of the COVID-19 pandemic continued to limit in-person meetings. In this, the SVC was not unique, as these challenges were also faced by all other CSMFO chapters. Chapter membership took advantage of the variety of CSMFO chapter webinars from other chapters, and also participated in a two-part joint chapter series with the Central Valley Chapter.

Quarter 1 Summary:

The first virtual meeting of the year took place on March 10, 2021 and featured a presentation by Nichole Cone of HdL, Coren, & Cone. Ms. Cone had been scheduled to speak at a March 2020 meeting; however, that meeting was necessarily cancelled as a result of the pandemic. Ms. Cone gave a presentation on the topic of "Real Estate Trends and Property Tax Forecast for 2020/2021" that left the attendees hopeful that positive real estate trends would positively affect their agencies' property tax revenues.

Quarter 2 Summary:

The SVC held the first of its "Home and Away" series with the Central Valley Chapter with a virtual meeting on May 20, 2021. This was an exciting opportunity to network jointly with a neighboring chapter, with whose members the Sacramento Valley members do not often have the chance to interact.

This meeting featured a presentation on the topic of "Mental Health Awareness and the Financial Health Connection" presented by Mindy Field from the Prudential.

The meeting was well-attended, and attendees shared a thoughtful discussion on caring for one's own mental health, particularly in the challenging time being faced worldwide as a result of pandemic lockdowns and other related struggles.

Quarter 3 Summary:

The SVC and Central Valley Chapters held the second of their "Home and Away" series on July 22, 2021, featuring Tom Jakobsen from ClientFirst Technology Consulting.

Mr. Jakobsen presented on the topic of "Leveraging Digital Transformation to become a Smart City." This was an important topic as many agencies were forced to move their processes to a digital format while staff was working remotely during the past year.

Quarter 4 Summary:

A poll of the chapter membership in late September indicated that members were interested in an in-person meeting. However, increasing cases due to the omicron variant of COVID-19 in early October made meeting in person increasingly challenging. As a result, no meeting was held in the fourth quarter of 2021.

Looking Forward:

For 2022, the SVC plans to springboard from the San Diego conference to hold an in person meeting beginning in March 2022. From there, quarterly meetings are being planned for July, September, and December. The chapter is committed to the continued engagement with and provision of value to our members in the year to come.

San Diego County

Chapter Chair: Roxanne Muhlmeister, City of Carlsbad

Summary of 2021 Chapter Events

The COVID-19 pandemic continued to be a major challenge for the San Diego Chapter during 2021. All chapter meetings and events were held virtually.

The chapter's first meeting was held via zoom on January 27, 2021. The topic was cybersecurity and technology controls. The guest speaker was Caryolyn DeVar, Executive Director, Head of Identity & Access Management and Data Management, Protection and Privacy for Commercial Bank, JPMorgan Chase & Co. Trends and best practices to help protect organizations against cybercrimes and fraud were presented. This meeting was attended by 37 chapter members.

The chapter's second meeting was held via zoom on June 29, 2021. The topic was property taxes and assessed valuation update. The guest speaker was Ernie Dronenburg, County of San Diego Assessor, Recorder, County Clerk. This meeting was attended by 56 chapter members. This is an annual meeting topic and is usually one of the chapter's most attended events.

Chapter Goals for 2022

The chapter plans to schedule and host quarterly in person chapter meetings. While the virtual meetings over the last two years were well attended, the networking and social aspects of chapter meetings did not translate well to the virtual platform. Chapter members are looking forward to connecting with colleagues again in person. Our chapter will continue to encourage member participation in the annual CSMFO conference and other CSMFO sponsored webinars and trainings. The chapter also needs to fill the vacant chapter vice chair position and solicit the chapter members for help in planning and organizing chapter meetings as this has been solely done by the chapter chair for the last year and a half.

Thank you to the fellow Chapter Chairs, Board Members and SMA staff for help and assistance during another challenging year. And thank you to the San Diego Chapter members for staying involved and supportive in 2021. We look forward to more in person chapter meetings and events in 2022

South San Joaquin Valley Chapter

Chapter Chair: Jasmin Bains, Financial Services Director-City of Coalinga

Vice Chapter Chair: Margarita Moreno, Finance Director-City of Fowler

The first meeting we had for our chapter was on February 25, 2021, was with motivational speaker Gary Greeno. The title of the presentation was, "Be the Best You Possible." He presented in order to achieve the highest level of success you can achieve, you must have a strategy for your success. This includes your mental, emotional, and physical health. There are people depending on you, and for you to come through for them, you need to be functioning at your best. This talk was not only informational, but also inspirational, as Coach Greeno outlined strategies and tips to help be the best you possible.

The second meeting we had was on June 10, 2021, which was presented by Brandis Tallman and Jones Hall titled, "Record Low Interest Rates: How to lock them in for the next 30 years." The presentation focused on the current interest rate environment for municipal bonds, and how Chapter members can use record low interest rates to their advantage. Rick Brandis and Nicki Tallman from the bond underwriter/placement agent firm Brandis Tallman, a division of Oppenheimer & Co. Inc. and Dave Fama and James Wawrzyniak from the bond counsel firm Jones Hall will be presenting. The group addressed "new money" financings for new projects, as well as refinancing transactions that can result in debt service savings as well as other benefits. The presentation covered several recent examples of successful financings that have been completed, and time will be reserved at the end for questions from those in attendance.

The third meeting we had during the 2021 year via zoom was the Michael Coleman presentation on September 9th, 2021 as a joint meeting with the Central Valley Chapter and was the highly attended meeting. As you know Michael Coleman does a phenomenal job presenting interesting information impacting city budgets statewide. He is very well connected with lobbyist and other organizations such as the League of California Cities, so he presents thorough information related to impacts of local government due to policy changes and economic impacts.

As we look to the horizon for 2022 we plan to bring guest speakers to present topics that are important to the members of the chapter.

Chair: Kyle Johnson, City of Glendora

Vice Chair: Jennifer Becker, City of Burbank

The San Gabriel Valley Chapter was impacted by the pandemic, along with other chapters. Typically, the SGV Chapter meets on the third Wednesday of January, March, May, July, September and November with average attendance of 35 per meeting. The meetings at the beginning of the year were all virtual but, we were able to end the year with an in-person meeting in December.

The meetings in 2021 featured the following topics and speakers:

January

David Robinson, Chief Information Security Officer of BNP Paribas USA, Inc. and Bank of the West spoke about the impacts of COVID-19 on cyber security. The session focused on current cyber security challenges and best practices organizations need to implement to mitigate the risks and ensure business continuity.

March

Joshua Davis, Director Tax and Fee Administration, HdL Companies spoke about managing Transient Occupancy and Business Tax administration during a crisis. The session reviewed how the pandemic impacted these revenue programs, what tax administrators have done in response to the current pandemic environment, and detail the strategic steps needed to ensure your local revenue programs are prepared for the coming recovery and beyond.

May

David Krout, Managing Partner, ClientFirst Consulting Group and Jane Guo, CPA, Principal Accountant, City of Pasadena, CA spoke about ERP selection, implementation readiness and how to do it once and do it right. This session addressed ERP Selection Best Practices and steps that lead to the selection of the ERP system that best meets the unique needs of an organization. This session also incorporated common areas where implementation mistakes are made and where pitfalls lie.

July

Javier M. Obando (Vice President, Tax-Exempt Markets, Prudential), Mindy Field (Director, Financial Wellness Strategist, Prudential) and Tori Weeks, (CEAS, Regional Director Health & Productivity Analytics Consulting Practice, Prudential) spoke on the links between mental and financial health. This session provided an understanding of the connection of mental and financial wellness, how to recognize emerging mental health issues, ways to reduce stigma so the work environment is mentally healthy, and strategies for self-care.

September

Bryan Gruber, CPA, Managing Partner, Lance, Soll & Lunghard, LLP discussed 5 things to know to fight fraud within your organization. This presentation highlighted examples of fraud in local government and the controls you need to help prevent fraud in your organization.

December

Michael Coleman provided an update on the latest in California local revenues, legislation, important legal cases, financial conditions and other issues of critical concern to city, county and special district finance professionals.



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Strategic Planning Summary

CSMFO Annual Report

2021

Core Strategy: **Organizational Sustainability**

Goal: **CSMFO will leverage and invest resources to ensure the long-term sustainability of the organization.**

Operations		
Goal/Objective	Action Plan & Deliverable	Responsible Parties
Create a committee structure that optimizes leadership opportunities	-Review/revise committees/committee structure	Develop new Ad Hoc led by Board Member
Provide public policy guidance to all government members (not just cities)	-Research and identify ways to provide greater guidance for counties and special districts	Develop new Ad Hoc led by Board Member
Update operations to conform with modern technologies	-Evaluate best long-term use of CSMFO app and market to members, particularly students.	Technology with support from CDC
Appropriately structure staffing and operations for the next 5-10 years	-Develop RFP that includes a scope of services for projected as well as current needs	Current Ad Hoc

Core Strategy: **Organizational Sustainability**

Goal: **CSMFO will leverage and invest resources to ensure the long-term sustainability of the organization.**

Fiscal Sustainability		
Goal/Objective	Action Plan & Deliverable	Responsible Parties
Prioritize the financial health of the association	-Consider establishing fiscal guiding principles -Analyze diversification of revenue streams -Develop long-range forecasting to address fiscal sustainability -Revise Administration Committee responsibilities as necessary to address enhanced ongoing fiscal planning and oversight	Develop new Ad Hoc led by Board Member
Ensure membership dues appropriately contribute to operations	-Research possibility of different dues structure (e.g., like GFOA) -Establish a membership dues policy to address increasing costs of operations and keep up with inflation	Membership Committee
Determine program profitability	-Consider apportioning costs (including staff time) to program expenses to provide an overall picture of each program's fiscal health	Career Development Committee

Strategic Planning Summary *(Continued)*

Core Strategy: **Organizational Sustainability**

Goal: **CSMFO will leverage and invest resources to ensure the long-term sustainability of the organization.**

Leadership Development

Goal/Objective	Action Plan & Deliverable	Responsible Parties
Ensure success of volunteer leadership	-Develop an orientation presentation for Board members, chapter leadership, committee leadership, League policy committee representatives -Establish method for onboarding new leaders	Develop new Ad Hoc led by Past President
Provide opportunities for future leaders	-Develop a way to incorporate all member types into leadership positions -Develop systems to better support future leaders	Develop new Ad Hoc led by Board Member
Recognize volunteers	-Develop annual volunteer recognition	Recognition Committee

Core Strategy: **Back to Basics**

Goal: **CSMFO will focus its efforts and resources on its core mission and vision.**

Membership Engagement

Goal/Objective	Action Plan & Deliverable	Responsible Parties
Engage all members	-Develop strategy to onboard/engage with new government members -Develop strategy to recruit and engage student members -Develop strategy to engage commercial members	Membership and Student Engagement Committees
Ensure avenues for member-to-member connectivity	-Test Cohort program -Develop a one-on-one coaching/mentoring system -Consider continued virtual engagement activities	Membership Committee
Communicate appropriately with the membership and external partners	-Reevaluate goal and purpose of CSMFO News -Analyze reach of CSMFO News to internal and external parties	Communications Committee
Provide for consistent leadership and coordinated efforts among the chapters	-Generate standardized policies for chapter meetings -Generate "state of the association" regular updates for reporting out at chapter meetings	Past President with support from Chapter Chairs
Create an incentive for membership	-Develop member v. non-member pricing policies -Ensure membership in CSMFO has value beyond what nonmembers receive	Membership Committee with support from Admin

Core Strategy: **Back to Basics**

Goal: **CSMFO will focus its efforts and resources on its core mission and vision.**

Professional Development

Goal/Objective	Action Plan & Deliverable	Responsible Parties
Reduce administrative overhead of career development programs	-Investigate Learning Management Systems. T	Technology with support from CDC
Recognize top performers in the field of local government finance	-Work with GFOA to develop a California-centric add-on to their CPFO program	Career Development Committee
Leverage cadre of instructors among all training media	-Assist with identifying topics/speakers for chapter meetings -Develop a database of speakers and their associated topics	Career Development Committee with support from chapter chairs
Provide the training that members want	-Analyze core course offerings and amend as necessary	Career Development Committee
Ensure coordination among all programs	-Coordinate content among committees and chapters	President with support from committee and chapter chairs

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Revenue & Membership

CSMFO Annual Report

2021

California Society of Municipal Finance Officers

CSMFO Balance Sheet

Statements of Financial Position (December 31, 2021 and 2020)

	2021	2020
ASSETS		
Current Assets		
Cash and Investments	1,800,426.86	807,882.59
Accounts Receivable	0.00	250.00
Other Current Assets	199,216.74	263,185.89
Total Current Assets	<u>1,999,643.60</u>	<u>1,071,318.48</u>
TOTAL ASSETS	<u>1,999,643.60</u>	<u>1,071,318.48</u>
LIABILITIES & NET ASSETS		
Liabilities		
Current Liabilities		
Accounts Payable	41,299.22	17,151.89
Other Current Liabilities	823,925.00	229,800.08
Total Current Liabilities	<u>865,224.22</u>	<u>246,951.97</u>
Total Liabilities	865,224.22	246,951.97
Net Assets		
Restricted	0.00	0.00
Unrestricted	1,134,419.38	884,797.07
TOTAL LIABILITIES & NET ASSETS	<u>1,999,643.60</u>	<u>1,131,749.04</u>

Financial Statements

California Society of Municipal Finance Officer's Statement of Activities

	2021	2020
<u>Revenue and Support</u>		
Annual Conference	\$410,105.00	\$1,374,153.27
Membership Dues	\$251,255.00	\$245,070.00
Magazine/Job Postings	\$203,800.00	\$122,725.00
Education Workshops	\$116,954.00	\$70,657.00
Budget Awards	\$20,600.00	\$15,650.00
Chapters	\$3,630.00	\$9,896.84
Interest income	\$5,397.72	\$10,338.29
Miscellaneous	\$4,200.00	\$6,591.46
Subtotal Operating Revenues	1,015,941.72	1,855,081.86
<u>Expenses</u>		
<u>Program Services</u>		
Annual Conference	251,744.20	1,328,811.94
Education Workshops	45,200.00	31,995.46
Chapter Expense	5,479.29	12,701.26
Subtotal Program Services	302,423.49	1,373,508.66
<u>Operating Services</u>		
Management Services	238,494.89	229,677.67
President's expense	1,255.85	2,495.54
Board & Committee Meetings	57,835.40	16,561.85
Office Supplies and Telephone	555.91	1,290.81
Printing	20,900.36	21,786.75
Postage	727.19	1,260.91
Web and technology expenses	30,804.89	28,885.66
Audit	9,350.00	9,315.00
Insurance	3,140.22	3,271.00
Miscellaneous	86,991.21	80,233.66
Donations	0.00	175.00
Bad Debt	0.00	0.00
One-time Budgeted Expense	13,840.00	4,136.73
Subtotal Operating Services	463,895.92	399,090.58
Total Expenses	766,319.41	1,772,599.24
Total Revenues over Expenses	\$249,622.31	\$82,482.62

YEAR	MUNICIPAL MEMBER	COMMERCIAL MEMBER	OTHER GOVERNMENT MEMBER	RETIRED	STUDENT	COMPLIMENTARY	PROFESSOR MEMBERS	TOTAL
2021	2,149	254	95	66	70	4	0	2,638
2020	1,992	221	107	64	76	2	9	2,474
2019	2,021	269	91	65	39	6	2	2,493
2018	2,007	292	62	66	21	1	0	2,449
2017	1,940	266	54	79	14	18	0	2,371
2016	1,823	241	39	68	13	6	0	2,190
2015	1,711	243	26	67	22	19	0	2,088
2014	1,526	236	24	59	18	14	0	1,877
2013	1,449	256	18	59	13	19	0	1,814
2012	1,417	262	8	65	14	15	0	1,781
2011	1,299	232	60	60	15	21	0	1,687
2010	1,264	248	55	58	17	21	0	1,663
2009	1,288	255	45	45	14	18	0	1,665
2008	1,362	268	40	41	9	17	0	1,737
2007	1,158	204	21	28	1	14	0	1,426
2006	986	204	4	17	1	22	0	1,234



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