



Quarterly Board of Directors Meeting

February 4, 2022
Virtual via Zoom
9:00 AM

Board Members Present:

Eric Jackson, Robert Burk, Stephen McGibbon, Diane Fox, Joe Beach, Katie Barkdoll, Michael Walther, John Kroll, Christina Osborne, Daniel Fox, Lisa Sesny, Dawn Parks, Courtenay Desabaye, Tammy Kennedy-Nichols, Ed Leiter, Rafiu Ighile, Bill Early, Jennell Rogers

Committee & Affinity Chairs Present:

Marty Jacobs, Robbie Sandlass, Tim Hayden, Alex Strate

Staff:

Gabrielle Webster - Executive Director, MD GFOA

Board Members and Committee/Affinity Chairs Not Present:

Bernadette Benik, Lisa Moody and Jennifer Diercksen.

Call to Order:

President Eric Jackson called the meeting to order at 9:01. He extended a welcome to Diane Fox as the new Secretary and Katie Barkdoll as the new Western Representative.

Agenda:

Approval of Minutes: November 5, 2021 Board of Director's Meeting

Amendments and Corrections: Eric Jackson indicated that on page 4, the signature cards should be TRowe Price, not TB Price.

Motion: Rafiu Ighile with the proposed correction from President Jackson

Second: Jennell Rogers

Motion carries (none opposed or abstained).

Treasurer's Report: Provided by Stephen McGibbon

- Financial Position
 - Bank balances about \$80K more than prior year and are about 93% of assets
 - Receivables are \$18.5K
 - Liabilities are \$274K

- Statement of Financial Activities
 - Fall conference income is a slight increase over prior year
 - Dues show a small increase
 - Total sponsorships are \$61K which is \$39K above the prior year
 - Total revenue is \$122K which is an increase of \$50K over prior year (71%)
 - Expenditures
 - Fall conference, and management fees are where we expect
 - Total expenditures are about \$10K over
 - Net revenue about \$40K over

- Budget to Actual
 - Fall conference income is lower than budgeted with no sponsorship income since the conference was virtual
 - Membership dues are slightly lower than budget
 - Sponsorships exceed budget
 - Fall conference expenditures are lower since the conference was virtual

Motion: Rob Burk to accept the Treasurer's report as presented

Second: Christina Osborne

Motion carries (none opposed or abstained).

Old Business:

(Discussion led by Eric Jackson and Gaby Webster)

1. Winter Conference
 - a. The discussion concerned having a live or virtual conference

- b. Eric reviewed the COVID information provided by Joe Beach
- c. Masks mandates have been removed over several counties
- d. Since mask mandate are lifted, Marriott would charge a fee if we cancel
- e. Registration is now 106, with a feeling that more will register over the next two weeks
- f. Attendees can be asked to wear masks
- g. Mike Walther mentioned that all speakers are good to go and just one switched with another person
- h. Christina Osborne confirmed the speaker from the bank
- i. Marriott allowed us to cut our commitment in half
- j. It was the consensus to move forward with having the February 18 Winter Conference as a live event. Gaby will confirm with Marriott and work with Eric on lunch.

New Business:

1. Spring Conference—presented by Mike Walther
 - a. Sessions
 - i. Economic Update – TD Bank
 - ii. ARPA Compliance Update -- SB & Company
 - iii. Investment Strategies or Capital Market Assumptions - PFM Asset Management
 - iv. MD General Assembly – MACO Rep
 - v. Local School System Roundtable – Frederick County speaker declined but a new employee with Frederick County Public Schools might be available. Baltimore County lead is on board but last option. If anyone has a contact let Mike or Alex know.
 - vi. Local Government Budget Outlook—speakers from counties/municipalities, Robbie mentioned Jake Dwyer and Stanley Early
 - b. The Board left decisions on speakers up to Mike and Alex

Motion: Stephen McGibbon to approve as presented

Second: Joe Beach

Motion carries (none opposed or abstained)

2. GFOA Conference—there is a link to the conference on our website
3. Current and upcoming vacancies.
 - a. The State representative position will be vacant since Bernadette Benik has retired
 - b. Eric asked Tim Hayden to leave meeting
 - c. A discussion was held on having Tim Hayden as the State representative on the Board

Motion: Joe Beach to approve Tim Hayden as the State representative on the Board

Second: Rob Burk

Motion carries (none opposed or abstained)

Dawn Parks mentioned that Tim's term is due to expire in June 2022 but he is then eligible for two more terms.

Break

4. Insurance coverage and financial review/audits – Gaby presented. McKenna Management has to adhere to certain standards to keep AMC accreditation. Reaccreditation in the summer 2022. Two requirements for clients – insurance coverage and financial reviews/audits. Compliance is mandatory.
 - a. General Liability Insurance Proposal – Gaby presented
 - i. Gaby looked into insurance coverage and found an additional policy with more protection. No decision needed today
 - ii. MDGFOA does have coverage – standard with D&O coverage (July 21, 2021 – July 21, 2022). Reviewed current policy
 - iii. Gaby recommends D&O coverage as well as general liability, especially since we host events at other sites
 - iv. She also recommends cyber security, at least a minimum
 - v. Property would be covered under our general liability – no need for separate policy since we don't have a physical location
 - vi. Gaby reviewed the quote from Chubb. She might be able to negotiate a lower price. We won't take part in optional coverage
 - vii. Robbie asked if there would be coverage if someone comes to conference and says they got COVID. Gaby indicated that it would be covered under general liability
 - viii. Gaby will go to current insurer and get a quote to compare with Chubb quote. She will also try to get Chubb to reduce and get two or three other quotes
 - ix. Stephen asked about Cyber security risk. Gaby says our main risk is membership info but not huge threat. Also we don't have a lot of assets so not high risk
 - x. Alex asked about offsite events at summer conference and would this coverage protect sponsor? Gaby indicated that we are protected, not sponsors
 - xi. Gaby will clarify the minimum cyber coverage
 - xii. Eric wants three quotes overall
 - b. Financial Review – Gaby presented
 - i. Current MDGFOA process: Bill Early said that we stopped doing compilation/audit since there is strong financial experience on the Board and we review financial statements quarterly as a full Board. He doesn't see a need for audit/review or compilation. Robbie mentioned that another safeguard is that we change treasurer every year.

- ii. After discussion, it was decided not to take McKenna's recommendation relating to a financial review for the following reasons:
 1. MDGFOA does not have a large budget
 2. Amount of financial experience on the Board
 3. Quarterly review of financial statements by full Board
 4. Change of Treasurer position every year
- iii. No action is needed

Eric asked about the timeline for quotes. Gaby indicated that she will get quotes next week and we can get insurance before summer conference. It was decided that Executive Board will meet and make decision on insurance when Gaby gets back to us. We will then inform Board what was decided before the next Board meeting.

Committee and Affinity Group Reports:

Membership: Provided by Christina Osborne.

- Current membership of 607 compares favorably to the past
- Surprised we didn't lose more during pandemic
- Compared highlights on pg. 20 of handout

Sponsorship: Provided by Tammy Kennedy-Nichols.

- \$58,000 in FY22
- Discussion of sponsors that haven't rejoined
- Tammy asked for anyone to give her vendors and she will reach out

Communications: Provided by Ed Leiter.

- Eric said great job on the newsletter. Timeline is draft first Thursday of the month and publish second Thursday of the month
- Ed asked everyone to send news his way
- Reviewed sections of newsletter

GFOA Rep: Provided by Lisa Sesny.

- New electric GAAFR released – incorporates guidance through GASB Statement No. 97 and GASB's implementation Guide updates through June 30, 2021
- GFOA ARPA Revenue Replacement Calculator has been updated to reflect Treasury guidance
- GFOA's Annual Conference – registration is open. Conference will be held June 5 – 8, 2022 in Austin, TX
- Hero Award nominations are open

Education: Daniel Fox presented for Jennifer Dierksen.

- Intermediate Governmental Accounting Seminar – two virtual seminars in May and Nov. Attendance -- 55 in May, November had 30.
- What is Board intentions for the next two – virtual or in-person. If in person, she will need to start planning. Tricia Reaver teaches for Association of Internal Certified Accountants and is

available for speaker or volunteer instructor (free 1-2 hours, but paid after that). Online with Radnor University – Gaby, Daniel and Jennifer confirmed with Dr. Chase that there is still an active agreement. We pay \$75 for each course – six courses with fees from \$100-\$250. Radnor also offers additional classes that we can provide. CPFO – only 2 of 7 exams still available. Remaining will be available this summer. We can promote in newsletter

- IGAS session : online or virtual. Stay virtual. Convenient and no cap on attendees. Daniel will relay and start planning
- Radford online: has anyone in Board taken classes? Robbie -- Original idea was to provide some basic classes especially for new hires. Should we subsidize for new members? What marketing is behind it? Daniel -- maybe do price analysis with surrounding states that provide same classes

By-laws: Provided by Dawn Parks.

- She has reviewed June 19, 2020 version. Found section II composition and representation – numbers don't match current Board. Dawn doesn't think we need to vote as Board –it wasn't updated when Delaware was added (we have 23 members now, not 22). – Should be 23, 19 and 17 in that paragraph (add 1). Just need to clean up without vote – update as approved and publish

Long Range Planning: Provided by Eric Jackson.

- Clarion contract through 2023 – had to change days from Tuesday – Friday to Wednesday – Friday (done now). Will we continue with Clarion or use another hotel? Clarion has been renovated, and Gaby and Aubrey are visiting to look and give us feedback before June. Gaby – do we need to revise attendee numbers? Perhaps add COVID clause to contract if Clarion is willing. Number of hotel rooms is 355 spread over three nights. Eric feels we'll get that number. Dates are June 15 - June 17

Nominating Committee: Provided by Joe Beach.

- Working with Dawn to make sure roster and terms up to date. One term is expiring and is not eligible to renew. He will notify members
- If anyone interested in officers track, let Eric know since we'll be voting at summer conference

Lloyd Jones Scholarship: Provided by Joe Beach & Dawn Parks.

- They will put something out in February with April 1 deadline and will bring to spring board meeting

Young Professionals Affinity Group: Provided by Mike Walther.

- No social events happening now, perhaps something at summer, special ribbons/table at conferences
- Ribbons –first time attendees and they sit with officers. Maybe start with fall since that was our first in person after hiatus

Investment & Treasury Management Affinity Group: Provided by Tim Hayden & Rob Burk.

- Lead about CashVest – software that tracks cash flows. Pros to have them in to present – potential sponsor. He is hesitant since sales pitch and does not see benefit. Email Rob or Tim if you know any leads. Following lead with current sponsor to present

Tax Affinity Group: Provided by Eric Jackson.

- January 19 meeting – recordation and transfer tax roundtable . Russ Arleta and Jack Machin (get from tape). They are going to put together a guideline that will be sent out in a year just on recordation and transfer tax. Hopefully will remove variation from county to county. Bob Yeager from SDAT Tax Sale Ombudsman spoke on Homeowner Assistance Fund and various tax sale laws coming up
- No February meeting
- March will presenter from NIT (sponsor) on payment processing

GASB Affinity Group: Provided by Bill Early.

- GASB 87. Roundtable session or technical? Virtual or in person? Should be highly attended. Everyone likes virtual format for affinity groups
- DebtBook might be a lead as a presenter

Debt Affinity Group: Provided by Jennell Rogers.

- No report but looking to plan something in the fall

Budget Affinity Group: Provided by Robbie Sandlass.

- Heard back from David Farkas at BRE and he is interested in having a session where he'll walk through revenue forecasting. Perhaps June 23 virtually. Another idea for fall as affinity or session – police body cameras and cost associated

Retiree Group: Provided by Marty Jacobs.

- Asked for mention in newsletter regarding group and a call for session recommendations. Also, can Eric mention at winter meeting and also mention affinity groups welcome retirees. One session that was designated for retirees on personal finance. Should do another session whenever we can fit in – wills estate, health care, power of attorney and medicare. Made contact with about 7 retirees and they said just keep on doing what we're doing. Perhaps something at summer conference involving past presidents

Pension Affinity Group: Provided by Rafiu Ighile.

- Topics – actuary, investment side of pension and OPEB, 457. Spoke to Bolton and they are willing to do investment side and actuary. Robbie will reach out to Kevin Kinnally from MACO to get someone. Looking at March 29 – virtual. Also, discount rate and investment strategy. Will be reaching out to Gaby for marketing this month. Rob – should we broaden to nonmembers or require small fee? Good idea for training for committee members. Perhaps call them Affiliate members -- \$20 or something and require a sponsor member

Other Business:

- a. April Board Meeting location – April 1. National Harbor but no location yet. MGM quotes and Westin. Parking is \$20 a day. Gaby will include details with meeting invite. Board would pay for parking. Gaby will check on getting parking vouchers.
- b. Summer conference: Tammy won't be at summer conference due to vacation, but Ed Bianchi's Irish Coffee will go on. It will be at Golden Sands but she needs to confirm. Christine will follow up on the M&T event at Fager's
- c. Website updates. Gaby reviewed online education portion of website with graphic designer and will be reviewing rest of site. More coming soon. Any ideas for website, let her know

Meeting Adjourned by Eric Jackson at 11:39 am.

Motion to adjourn: Rafiu Ighile

Second: Stephen McGibbon

Motion carries (none opposed or abstained)