Happy holidays and a special wish of joy and celebration to all of you during these trying times. It has been a very strange year as the pandemic rages on around us, but there is some cause for hope that things might get back to some resemblance of normal with the possibility of vaccines becoming available later in the spring/summer months.

This past year, the COVID-19 pandemic has forced the Association to rethink and modify how we serve our membership, beginning with the cancellation of our summer regional trainings. In place of regional trainings, the Association entered into an agreement with the California Society of Municipal Finance Officers to offer free webinar trainings to our members. We will continue to notify you of pertinent trainings that might be of interest. You can also review the archived webinars by going to: http://www.csoso.org/training/webinars/audio-archives/

The annual in-person fall conference scheduled in Salem this year had to be canceled and replaced by a series of webinars throughout the month of October. We are very pleased that we were able to provide CPEs for all of those that needed them and that the overwhelming response from those that participated was very favorable. I would like to thank Toby LaFrance and his Education Committee for the outstanding work they did to pivot and make this webinar series a success. I would also like to thank Misty Slagle for her exceptional work in getting the technology and logistics worked out to make it all possible. The webinar sessions were recorded and are available for review, along with the presentation slides, in the members’ section of the OGFOA website. Log in at: https://ogfoa.org/2020_October_Webinar_Series

Since the October webinar series was so successful and given that most everyone is accustomed to using Zoom, the Board will look to utilize this platform in the future to host regional training. We are excited about this possibility as we feel that it will enable us to reach more of our membership in fulfilling your training needs.

Looking forward to the spring, we find ourselves once again unable to host an in person conference. In its place, OGFOA is working to put together a virtual conference which will utilize actual virtual conference hosting software. We are fortunate that our Association Manager, Misty Slagle, already worked with the Washington Finance Officers Association to host their virtual conference using the same software platform that we will utilize in the spring. I was able to attend the WFOA Fall Conference virtually and felt that it was a great success. Please stay tuned...
for more information which will be shared as it becomes available.

Looking farther afield, with the advent of vaccines, we are hopeful that we will be able to return to in person conferences and look forward to hosting everyone in Salem for the fall of 2021 and in Sunriver for the spring of 2022. In the meantime, stay safe out there.

**Ron Harker**
OGFOA President

## OGFOA Fall Webinar Recap

**By Ron Harker**

Greetings and thanks to all who participated in the OGFOA October Webinar series this year. Many thanks to Toby LaFrance and the education committee members who pivoted so successfully to translate a slate of breakout sessions to webinars. And thanks to the speakers for donating their time and expertise in delivering very successful sessions filled with valuable content. A very special thanks to Misty Slagle who worked so diligently behind the scenes to make sure everything went without a hitch.

The webinar series featured sessions spanning a wide range of topics including:

- Oregon Economic Update with Christian Kaylor from the State of Oregon Employment Department,
- Diversity and Inclusion Ethics with Deborah Jeffries, Co-President of HR Answers, Inc.,
- Bond Market Post COVID with Matt Gierach, Debt Manager with the City of Portland, Lauren MacMillan, Senior Vice-President of Piper/Sandler, and Carol McCoog and Sarah Dickey, Attorneys with Hawkins, Delafield & Wood, LLP,
- Ethics Where There is No Guidance with Tom Birch CPA,
- Government Accounting 101/202/303 with Debbie Smith Wagger from Smith-Wagar Brucker Consulting,
- Moving Towards a Paperless Environment with Elizabeth Comfort, Finance Director for Clackamas County, and Zach Irwin, Senior Auditor with Talbot, Korvola & Warwick,
- CARES ACT and Single Audit with Emily Brock, Director of GFOA's Federal Liaison Center,
- Navigating the Pandemic with Mark Gharst, Lobbyist for the League of Oregon Cities, Robert Barron, CFO of the City of Salem, and Kent Wyatt, Communications Manager for the City of Tigard,
- Internal Controls in a Remote Working Environment with Christa Bosserman Wolfe, Deputy Finance Director for Clackamas County, Cory Bell, Deputy CFO for Multnomah County, Kevin Mullerleille, Senior Manager for Moss Adams, LLP, and Ashley Osten, Partner at Moss Adams, LLP,
- Election Update with Dr. Jim Moore.

The webinars were recorded and are available, along with the session materials, in the Members Area of the OGFOA website. Log in at [https://ogfoa.org/2020_October_Webinar_Series](https://ogfoa.org/2020_October_Webinar_Series).

While we are not going to be able to have an in person conference this Spring, we are looking forward to inviting all of you to participate in our virtual spring conference this coming March. Please stay tuned for further details.
OGFOA’s DEI Focus Continues

The OGFOA’s Fall 2020 Newsletter included an article about the Board’s commitment to diversity and anti-racism by adoption of the following statement:

The OGFOA Board of Directors recognizes that systemic racism exists in government systems, programs, policies and practices. As an organization of diverse government finance officers, we are all responsible for recognizing and addressing racial inequities. Our Code of Ethics commits us all in valuing diversity within our organizations and communities, recognizing our own biases, and calling out discrimination of any kind. As an organization, OGFOA is committed to the outcome of promoting diversity and racial equity.

The Board is working to identify specific actions that OGFOA can take as an organization to ensure equitable opportunities for its members, including Committee members and Board members.

The Board also encourages OGFOA members to take an active role in recognizing and correcting inequities in your organizations, workplaces, and communities. Here are specific actions that some of your colleagues are taking to make a difference:

- **Organizational Leadership** - Encourage your governing body and other leaders to commit to genuine and informed action on DEI in your organization and community. Urge them to identify and acknowledge societal inequities and recognized that, unintentionally, their organization is not a level playing field.
  
  One example is happening at the City of Bend’s Diversity, Equity, and Inclusion (DEI) Project. The City Council adopted a specific goal that includes actions focused on “embedding a commitment to diversity, equity, and inclusion within the City of Bend.” These actions are:
  
  - Council and staff are intentionally creating opportunities for members of underrepresented communities to provide insight on topics that matter to the City as a whole, as well as building a permanent committee focused on DEI.
  - Partnering with various organizations and agencies, such as Allyship in Action.
  - Approximately 1,000 hours of employee training on DEI, learning about topics such as identifying and reflecting on our individual inherent biases.
  - City leadership have started an internal book club that discusses books about the topics of race and injustice.

- **Use of Pronouns** – You can help normalize the use of pronouns, including non-binary, transgender, and gender-neutral pronouns such as ‘they/them.’ Show respect for everyone’s pronoun preference and consider asking new people you meet if they have a pronoun preference. Remember, a choice of pronoun does not dictate someone’s gender presentation. Why is this important? It acknowledges and shows respect toward an individual’s humanity.

- **Honor Native Land** – You can acknowledge the traditional Native inhabitants of the land where you live and work by using a statement in your email signature and open public events and gatherings with an acknowledgement. This statement becomes even more meaningful when paired with authentic relationships and informed actions. Example statement: “I acknowledge the ________ tribe whose ancestral lands I live on and work in.” Not sure what tribes to acknowledge? Use [https://native-land.ca/](https://native-land.ca/) and enter the address.

- **Effective Communication** – Direct conversations about DEI can break down barriers to communication. Consider educating yourself and others in your organization in communication that increases openness, respect for differences, and understanding. Better conversations will promote collaboration, innovation, and effectiveness.

- **Enhance equitable coaching and mentoring** – Unconscious bias can result in inequitable access to coaching and mentoring for people who

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are not “like” their managers. Be intentional about ensuring that all people have equitable access to managers and leaders who can guide them in their careers.

Sources:

Center for Creative Leadership article, "5 Powerful Ways to Take REAL Action on DEI (Diversity, Equity & Inclusion)"
https://www.ccl.org/articles/leading-effectively-articles/5-powerful-ways-to-take-real-action-on-dei-diversity-equity-inclusion/

Insider article, “What you should know about gender pronouns, how to use them, and why they’re important” https://www.insider.com/how-to-respect-peoples-pronouns-and-why-its-important-2020-10#:~:text=The%20reason%20it%27s%20so%20important%20to%20honor%20someone%27s,worse%20rates%20of%20anxiety%2C%20depression%2C%20and%20suicidal%20ideations.


Nominations for 2021-2022
Board of Directors

Every year the Board names a Nominations Committee who is responsible for reviewing applications for members to fill open positions on the Board for the next year. The nominating committee is made up of three regular members, two associate members, and the president, past-president, and president-elect from the current Board. This year’s nominating committee included:

- Duncan Brown, PFM Financial Advisors LLC
- Carol Bryck, Clackamas River Water
- Cynthia Granatir, Marion County
- Lori Hooper, City of Prineville
- Rob Moody, Merina & Co
- Ron Harker, City of Roseburg, 2020-2021 President
- Kathleen Leader, Clean Water Services, 2020-2021 Past-President
- Susan Brown, City of Gresham, 2020-2021 President-Elect

The committee met in late October to review applications and to recommend a slate of officers to the Board, which will be presented to the membership for approval at the 2021 Spring Conference. The committee did not receive any applications for President-Elect. Per OGFOA bylaws, if there are no qualified applications for President-Elect, we can extend the existing terms of President-Elect, President, and Past-President for an additional year. The nominating committee recommended, and the Board approved this course of action, so the slate being recommended to the membership for approval in March is:

- President: Ron Harker, City of Roseburg
- President-Elect: Susan Brown, City of Gresham
- Past-President: Kathy Leader, Clean Water Services
- Director: Ron Vaught, City of Portland
- Director: Susan Cole, City of Beaverton
- Director-at-Large: Wendy Feth, Cherriots
- Associate Director: Tonya Moffitt, Merina & Co

Rounding out the 2021-2022 Board will be the following Directors continuing their current terms:

- Toby LaFrance, City of Tigard
- Gloria Butsch, City of Independence
- Brian Kennedy, Metro
- Elizabeth Comfort, Clackamas County
Things to Consider Before Making 2020 Annual EMMA Filings

Christine Reynolds, Partner, Orrick, Herrington & Sutcliffe LLP, cereynolds@orrick.com, (503) 943-4821.

Many local governments are working on finalizing audited financial statements for the fiscal year ended 2020 and are preparing to make annual continuing disclosure filings of the CAFR and annual report of other financial and operating data on EMMA. Due to the ongoing COVID-19 pandemic, wildfires and other unexpected events, 2020 has been filled with unexpected challenges to the finances and operations of many governments. Because of these unusual circumstances, it is important to remember that the annual EMMA filing is disclosure, and as such, Issuers that are preparing to make continuing disclosure filings should carefully evaluate whether the information in the CAFR and Annual Report provides all material information that a reasonable investor would consider important or if additional information should be included to provide complete and accurate disclosure. The following are a few things to consider as you assess the scope of your annual continuing disclosure filing. Please be sure to consult with bond counsel to complete your assessment of the disclosure and ensure that your EMMA filing complies with federal securities laws.

Legal Considerations: There are two major provisions contained in the federal securities laws that govern disclosure relating to municipal bonds, including annual continuing disclosure filings on EMMA.

Rule 10b5: The first is Rule 10b5 contained in the Securities and Exchange Act of 1934. Rule 10b5 provides the basic approach to investor protection in federal law by requiring disclosure of all “material” information. In order to violate Rule 10b5, an intent to deceive or defraud must be found.

Section 17a: The second provision is Section 17a contained in the Securities Act of 1933. Section 17a is similar in scope to Rule 10b5 but it can only be used by the SEC as opposed to actions brought by bondholders. In order to violate Section 17a, only negligence is needed, which is a lower threshold than intent.

When Do Disclosure Rules Apply? The general rule to remember: Rule 10b5 applies whenever an Issuer is speaking to the market.

A municipal Issuer is speaking to the market when it does a new offering.

The disclosure rules also apply to reporting on EMMA under the continuing disclosure, including when making annual filings, when making required, material event filings and when making a voluntary filing rules that we are discussing today.

Additionally, there are other circumstances where an Issuer can be considered to be “speaking to the market” and therefore the disclosure rules apply. Almost any statement or document with financial information, such as: the following can be considered “speaking to the market”:

- Public statements by officials, including speeches, social media, media interviews
- Investor website – be careful about hyperlinks or dated information
- Public reports, like a CAFR or report submitted to another government agency or legislative body or application for financial assistance

There is no duty to speak to the market every time something material happens. But once you elect or are required to speak to the market, the information must be accurate and not contain material misstatements or omissions.

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The same concern applies to investor websites and public reports since the information is targeted to investors.

**Bottom Line:** Be sensitive to the issue that statements from officials, such as elected officials and leaders (e.g., City Manager or other executive, CFO, etc.) that can be viewed as targeted to the market.

What is “Material” to Disclose? The basic materiality standard is:

“[w]hether or not there is a substantial likelihood that a reasonable investor or prospective investor would consider the information important in deciding whether or not to invest.”

This is the basic rule established by caselaw and SEC decisions. Another standard used to determine materiality in SEC decisions is “would the information significantly alter the ‘total mix’ of information available.”

Unfortunately, there is no single definition or black and white answer to the question “Is this material?” – it depends on the facts and circumstances. The SEC has not provided guidance on what constitutes a "material" misstatement of facts outside of enforcement actions. This is especially problematic because materiality is judged in hindsight by the time a court or the SEC reviews the situation. What is material is an evolving concept, so it is important to take the extra step of reaching out to bond counsel to evaluate the facts and circumstances to ensure that EMMA filings and other public statements are accurate and complete.

**Continuing Disclosure Obligations = Indirect Regulation of Municipal Issuers.** Rule 15c2-12 is an SEC Rule – originally enacted in 1989 and amended several times since then with the most recent amendments taking effect on February 27, 2019 – where the SEC regulates Issuers indirectly by requiring underwriters to obtain certain agreements from the Issuer before the underwriter may purchase securities from the Issuer.

Under the Rule, an Issuer must agree to provide ongoing continuing disclosure including annual disclosure in the form of its audited financial statements (e.g., CAFR) and certain other annual financial information or operating data, as well as notices of certain material events (with certain exceptions) for the life of the bonds in a publicly available place. That place is now a website operated by the MSRB called the Electronic Municipal Market Access site, or EMMA.

**What is in a Continuing Disclosure Agreement?** So what does Rule 15c2-12 require to be included in a continuing disclosure agreement (“CDA”)?

1. Annual disclosure filing that includes:
   - audited financial statements of the Issuer (e.g., CAFR); and
   - financial and operating information that is specified in the CDA, essentially updating key financial and operating data that was included in the original offering document that is available from the Issuer's records

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2. Material Event filings: The Rule requires that Issuers report specified “listed” or “material” events, which must be filed not later than ten (10) business days after the occurrence of the event. These events are included in the CDA entered into by the Issuer at the closing/delivery date of each bond issue.

Because of the deadline for filing event notices, it is important to be familiar with these events and have a system in place to timely identify and file event reports on EMMA. Some of the events have a materiality qualifier (meaning the event must be reported if the Issuer determines that it is “material”) and others do not (meaning that the SEC thinks these events are always material).

Planning for Continuing Disclosure Filings. Given the wide variety of means by which an Issuer may be speaking to the market, to minimize potential liability Issuers are encouraged to adopt disclosure policies and procedures and follow them. In a number of SEC enforcement actions, the SEC has emphasized that it is important to have adopted disclosure policies. The SEC believes that if an Issuer has disclosure policies, it is more likely to comply with its continuing disclosure obligations.

Adopting disclosure policies and following them is a best practice. To help ensure compliance with disclosure obligations, including CDA requirements, the policies should, among other things, establish one official or office that is responsible for disclosure and require that all relevant parts of the organization coordinate information necessary for disclosure through the designated office.

Having regular disclosure trainings is also important. Tip: Hold annual disclosure trainings at the time the CAFR is being finalized and the annual report is being prepared for filing on EMMA. It’s a great opportunity to refresh all members of the team on the disclosure rules and make sure everything is being included in the EMMA filing before it is posted.

What Disclosures Should Be Made About COVID-19? The SEC issued a statement in May 2020 urging Issuers to provide COVID-19 information both in required disclosures as well as by making voluntary disclosures on EMMA. The Statement recognized that making disclosures in an uncertain environment, particularly on a voluntary basis, is challenging and could be viewed as risky. The Statement offered suggestions to offset the risks, including:

- provide meaningful cautionary language (describe relevant facts and assumptions; note that some information may be incomplete or unknown, and describe methodology used to produce the information);
- look to information contained in government reports or applications for financial assistance – make sure of consistency across all sources

The Statement noted that municipal Issuers could not use certain statutory safe harbors applicable to corporate entities for making “forward-looking statements.” However, the Statement noted that there is a judicially-created “bespeaks caution doctrine” which had a similar effect that municipal Issuers could look to for guidance. This doctrine requires a forward-looking disclosure to spell out its limitations, assumptions and risks.

The Statement explicitly stated: “We would not expect good faith efforts to provide appropriately framed current and forward-looking information to be second guessed by the SEC.”

Based on the SEC’s Statement about providing disclosure concerning the effects of COVID-19, as you prepare to make your annual continuing disclosure filings of the CAFR and Annual Report on EMMA, it is important to consult with bond counsel to discuss whether to include an additional section that discusses the effects of COVID-19.
Run Through the Tape

By Adrienne Hall, Chief People Officer, Talbot, Korvola & Warwick, LLP

In the field of long-distance running, experts debate the best strategy for winning a race. Some say capture the lead early and set a fast pace that your fellow competitors won’t be able to match. Some recommend drafting behind the pack for most of the race and then boosting your pace to take the lead in the last lap, a tactic known as "sit and kick."

One point, however, they can agree on is, whether you come in first or last, crossing the finish line of a marathon is a victory, and as much a result of mental fortitude as physical prowess. Deena Kastor, Olympic medalist, marathon runner and author of Let Your Mind Run: A Memoir of Thinking My Way to Victory, attributes her continued success to staying happy. "It sounds a little hokey to say that happiness has helped elevate me," she says. "I have this great momentum going…there is nothing on my calendar that doesn’t make me smile."

This past year has felt like a never-ending marathon we don’t remember signing up for. Maybe we started the year out well, but since March, every day has looked the same: work, eat, sleep, repeat. Even the most dedicated people on your team may be tired of the monotony and rigor caused by the global pandemic. Recent studies have shown that almost six in 10 workers are currently experiencing job burn out, where just putting one foot in front of the other during the last few laps of 2020 seems an insurmountable task.

Luckily, the finish line may be in sight, as distribution of the COVID19 vaccine begins. But will you or your team cross the finish line of 2020 with vigor, or barely limp across, carrying angst or apathy into the next year?

Follow these simple steps to help everyone on your team finish this year strong:

• Encourage people to take time off. The purpose of PTO isn’t just to travel or gather with friends and family, both of which are limited right now. It is also a time to unplug from work and take care of personal details, a time to rejuvenate the mind and body through sleep and exercise. It does everybody good to take a "staycation" or at least a long weekend sometimes, in order to approach the job with a renewed sense of purpose and energy when they return.

• Make time for fun. We work in a serious profession, where attention is paid to many small details that impact large decisions. Find occasions when you can take things less seriously – to laugh, challenge the other side of your brain and bond with co-workers. Use the power of technology to coordinate virtual happy hours, invite people to share a virtual meal, or set up an online game night with your team (try Codenames (www.codenames.game) and spend an hour enjoying the lighter side of life.

• Explore new opportunities. Sometimes a change in action brings a change in attitude, or at least gives perspective to the daily routine. Offer people a change of pace from their usual responsibilities, with training classes, volunteer opportunities or networking groups that can help them learn or refine a skill or meet someone new.

It only takes one look at quotes about marathons on the internet to get a sense of the satisfaction one has in completing one. Before the end of this year, which is turning out to be like no other year we’ve ever experienced, take a moment to reflect on your happiness, reassess your goals for the future, and incorporate something into your life and the lives of your teammates that can help everyone run through the tape!
The 2021 Annual OGFOA Conference will definitely look different than last year at Seaside. The OGFOA Board has moved the event to an all virtual platform. We are excited to continue to offer the great training you have come expect from our annual events. We will be using the platform from WHOVA for the event and look forward to offering a keynote speaker and breakout session from Jonathan Fanning. An author to three books, and voted best speaker at a 2016 TED conference, Jonathan has been coaching top leaders – from Fortune 500 executives to sole proprietors – for over 15 years.

**Keynote: Who Are You Becoming as a Leader**

A year from now, you’ll be a better leader... or not. More courageous... or not. More caring... or not. More focused... or not. More patient... or not. More humble... or not. Based on Jonathan’s best-selling book, Who are you BECOMING?, participants will discover 4 pillars that the greatest leaders have in common and a simple formula for “raising your leadership lid.” A favorite of audiences across the country, discover “The Simplest and Most Effective Leadership Development Plan”, borrowing powerful and practical lessons from the greatest “people developers” in all walks of life.

“My team quotes Jonathan daily. He challenged the way we look at leadership!”

(Kelly L., Sr. Director, Pfizer)

**Breakout: They Serve, The Essence of Authentic Leadership**

Every leader is an agent of change… for better or for worse! What separates those we choose to follow from those we follow simply because we have to? “They Serve” is a unique exploration of the most effective, time-tested leadership principles and paradoxes. We all know great leadership when we see it. What four things must a servant leader do? Most organizations that teach servant leadership violate at least two of these building blocks. This program may change the way you look at role models forever.

“Powerful and moving! Jonathan is truly a special person – with a message that met the “needs” of our whole culture.”

(Lee D., Mars Chocolate)

We will also have sessions presented by our members and other experts to keep everyone up to date on topics ranging from accounting and budgeting to financing and management topics, with the WHOVA platform allowing us to have both live and pre-recorded sessions to make sure you get the most out of the conference.

The number one thing that we are missing this year is the personal interactions that make our conference a unique experience for all who attend. We are excited to share that the WHOVA platform offers many opportunities for interactions, including video chats, dedicated chat rooms, photo contests, and the ever-popular exhibitor passport. We look forward to taking you on this unique conference journey with us. Please look for details and registration information for our 2021 Annual OGFOA Conference in early January.
OGFOA Scholarship Application

Applications are due no later than 5:00pm on Friday January 15, 2021
(See Page 2 for full OGFOA Scholarship Policy)

First & Last Name:  Click or tap here to enter text.
Title:  Click or tap here to enter text.
Organization:  Click or tap here to enter text.
Work Phone:  Click or tap here to enter text.
Email Address:  Click or tap here to enter text.
Number of Finance Staff:  Click or tap here to enter text.
Have you attended this event before?  ☐ Yes  ☐ No
Years in Government Finance?  Click or tap here to enter text.
Are you an active regular member of OGFOA?  ☐ Yes  ☐ No
Have you received an OGFOA scholarship in the past? If so when was last award?  Click or tap here to enter text.
Please indicate the level of scholarship you are applying for:
☐ Conference Only (The 2021 event will be an all virtual event. Applicants are responsible for providing reliable equipment and internet connection)

PLEASE INCLUDE THE FOLLOWING WITH THIS APPLICATION:
A short essay about yourself your need for this scholarship and what you hope to bring back to your organization if awarded.

Cancellation Policy: If a scholarship is awarded to our employee, our entity will support the employee’s attendance at the conference, and we acknowledge that any cancelation may result in costs incurred by OGFOA that will be reimbursed by our entity in full.

Supervisor Signature  Date
Supervisor Name:  Click or tap here to enter text.
☐ I have included the required essay demonstrating my need and desired conference outcomes.

Applicant Signature  Date

Complete applications can be sent by email to Misty@Slaglemanagment.com or by mail to P.O. Box 995 Canby, OR 97013
Questions? Contact OGFOA: 503-601-2777