

Meeting Minutes – California Political Treasurers Association

Location: Fat City Bar & Café, Sacramento, CA
Date: Friday, November 18, 2016
Time: 10:04 AM

Attendance:

Cole Armstrong, Jerry Attebery, Marissa Attebery, Cameron Bridges, Mia Brumfield, Cate Castonguay, Dwight Cousin, Barbara Gillespie, David Gould, James Gravin, Thomas Howard, Theresa Kain, Benjamin Keo, Quoc Luu, Noel Manuel, Carissa McFadden, Jonathan Mintzer, Zoe Misque, Nadia Modesto, Meagan Olson, Ingrid Orellana, Stacy Owens, Michelle Moore Sanders, Jenny Sawyer, Sheila Scally, Sarah Singer, D’Ron Smith, KC Souza, Laura Stephen, Chris Thomas, Mary Young

Chris Reynolds, Chief of Political Reform Division, Secretary of State

- There have been 106,000 filings thus far in 2016. In 2014, there were 119,000.
- There have been 34,000 24-hour reports filed so far this year. In 2014, there were 32,000.
 - o This can be attributed to the 2014 bill by Assemblymember Gatto expanding the 24-hour reporting period to 90 days.
- There have been 4,000 24-hour independent expenditure reports, which is a record high. In 2014, there were 3,200 reports.
- There were 17 ballot measures on the General Election ballot, and about \$533 million was spent to support and oppose them.
 - o It is difficult to assess how much was spent on each measure, as committees sometimes change filing status part way through the cycle, or a committee might be primarily formed for multiple measures. In addition, the new non-profit reporting requirements and transfers between committees that support or oppose the same measure make it difficult to assess. You’d also have to go back to last cycle to get accurate numbers.
- The state launched a new software called Quick Guide Props on October 13th. It was done at no charge to the state.
 - o Under SB 844, the Secretary of State had to create a page to account for how much was raised for each measure. However, it still cannot control and account for money going to multi-measure committees.
 - o For a multi-measure committee, the amount raised counts for both measures, which inflates the total number raised overall.
 - o They’d also have to examine what the balance was before a committee became primarily formed, and what money was raised before the measure qualified.
- The candidates that had the most money spent on them for Assembly were: Muratsuchi, Baker, Quirk-Silva, Medina, and Cook-Kallio. The most from the Senate candidates were: Chang, Portantino, Stern, Weiner, and Nguyen.
- In the Assembly races, independent expenditures accounted for 50% of the total spending in these races. For the first time, these independent expenditures are exceeding the amount raised by the candidates.
- PowerSearch launched in September 2015, with the ability to search for independent expenditure data added in February 2016. These have been very successful.
 - o As a tip, to prevent double counting of money transferred, you can mark “Exclude Allied Contributions” and it will only count the committee who raised the money.

- Ballots are still being counted right now (mostly absentee).
- Mr. Reynolds then went through all 17 ballot measures and gave an update on whether or not they passed.
- He also mentioned that thanks to Secretary Padilla's efforts, voter registration is at an all-time high.
- Next, he mentioned SB 1349, which requires the Secretary of State to build a new Cal-Access system. It will be data-driven instead of form-driven, and filers will be able to upload data to report. It is due to be complete in February 2019.
 - o There will be a public hearing on July 1, 2017, to get input from the public on the system's functionality.
 - o There will also be hearings in March in both Sacramento and Los Angeles.
 - o He will send notice to the CPTA email list so we are aware of the hearings; they would like our suggestions to make compliance easier.
 - o They also would like some people to test the Beta system.
- The reminder notices for the \$50 recipient committee fee have been mailed; they are trying to bundle them for the professional treasurers.
 - o The fee is normally due by January 15th, and it is a postmark deadline. However, because that is a Sunday and the 16th is MLK Day, the fees are due on January 17th.
- Next, the conversation was opened up for general questions and comments:
 - o It was noted the Secretary of State's office is doing a great job of emailing 410's back promptly. This helps us determine when a committee becomes primarily formed, or what the jurisdiction is for a local candidate.
 - o A question was asked regarding getting an ID and password at the end of a business day, or after hours. Is it possible to have an online system to register for an ID and password? Mr. Reynolds said it needs to be fed back and manually entered into the system so they have a record of it, but he will take this suggestion with him.
 - For after-hours passwords, you can try to contact this email address: passwordrequest@sos.ca.gov
 - o A question was also raised about getting more consistency on responses to fine waiver forms. Mr. Reynolds said there was a potential regulation coming on this.
 - o Lastly, it was asked if street addresses could ever be posted online, and the answer is that the law would have to be changed. SB 1349 currently says that street address and bank information cannot be posted online.

Branche Jones, CPTA's Lobbyist

- He discussed SB 1349, the bill to redo Cal-Access. At the end of the day, we are not sure what it will look like and how the money will be appropriated.
 - o He would like our input on what we want Cal-Access to look like and be used.
- He also mentioned that he'd like to have a Legislative Committee on CPTA. The committee could do phone meetings, or maybe over email.
 - o He can also set up meeting with any legislators if anyone wishes.
- He next gave us a recap of what happened in the election. The Legislature has 22 new members, and the Democrats now have a supermajority in the Assembly. They may in the Senate too depending on the results of the SD 29 election, which is still being decided.
 - o The Republicans did not pick up any seats.

- The top-two Primary pitted many moderate Democrats against liberal Democrats, which made it challenging.

Next, it was noted that for the 2017-2018 cycle, the gift limit is now \$470 per calendar year, and the limit is now \$4,400 per election for legislative candidates.

Phillip Ung, Director, Legislative and External Affairs, Fair Political Practices Commission
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- The contribution and gift limits have been updated for the 2017-2018 cycle. The new Form 700 is also done. It will be released with the launch of the e-filing for the Form 700 in early 2017.
- They have also launched an electronic complaint system, which has helped streamline agency and enforcement proceedings.
- In early 2017, there will be a searchable database launched of enforcement cases. This will hopefully lessen calls from reporters and other interested parties.
 - However, they are aware of due process in the launch; those involved in an enforcement case will be notified before it's available to the public in the database.
- They are currently working to revise the Political Reform Act to re-organize and simplify it. Public comment on the first draft just closed, and draft two comes out on December 5th. That comment period will be open for about a month.
 - After that, it goes to the Legislative Counsel.
- Next, he went over some new laws that are in effect.
 - There is no longer a sunset period for their partnership with San Bernardino County.
 - They are working with the Secretary of State on SB 1349 to fix Cal-Access. They will be asking the Legislature for funds. It will launch in February 2019.
 - There is a new bill in effect on January 1, 2017, that repeals the ban on public financing in the Political Reform Act. Jurisdictions can operate public financing programs if they pass a law that says they can. However, this is expected to be litigated.
 - If anyone has any ideas for new bills, have our lobbyist get in touch with him.
- In February 2017, the FPPC is moving to a new office in the Community Colleges Building on Q and 11th Streets. They will be one block behind the Secretary of State.
 - They will be hosting an Open House, which they will announce later.
- Lastly, a question was asked again about street addresses being shown online on the Secretary of State's website for recipient committees. Someone also asked about abandoning paper filing for all e-filers.
 - Mr. Ung noted these are changes that have to happen through the Legislature. He did not speak to whether the FPPC would support or oppose these changes.
 - The FPPC's main focus right now is the revision of the Political Reform.

During lunch, Gretchen Eischen from Community 1st Bank gave a presentation. Her flier is attached. She can be reached at (916) 283-8043.

Next, the financial report was discussed.

- Motion to Accept: Mary Young
- Second: Sarah Singer
- The report is approved.

David Montgomery, Netfile

- A number of people noted they still get frustrated with the WebHub errors that come up. Also, that on a lobby report amendment, it is now not possible to do one without the new Form 640 attachment, when the report didn't require it.
- If anything is frustrating with filings with San Francisco Ethics, notify David, as they are going to be working on it.
- A new version of Netfile is about to be released (which will include a shared address book and the ability to run any report across all accounts). The Beta period is in December for people to start testing it.
 - o It will go live on February 1st. They will keep the old system in place for a while so people can switch between the old and new systems.
 - o A question was asked as to how the new system will merge multiple entries of the same committee. There will be a couple of options, but ultimately they will be able to choose what the computer does.
 - o For upload ID's of contributors, you'll be able to decide which one you want to use, and it will carry across all of the accounts.
- Lastly, they are working on separating the accrued expenses from the disbursements in the vendor cards.

Upcoming Meetings:

- March 24, 2017 in the Los Angeles area (likely Long Beach) – hosted by David Gould's office.
- June 21-25, 2017 in Monterey – this will be our annual conference.
 - o Michelle already has three hotels and will be emailing them around for feedback.

Round Table:

- Frustration was expressed with San Francisco Ethics. Be sure to research everything yourself to make sure it is compliant. The organization of a user meeting was also discussed.
- The possibility of having our CPTA meetings at the same place each time was discussed, especially in the Bay Area. That way, the restaurant(s) will know we're coming back every year.
 - o We'd like to do this for our guest speakers, so the person planning the meeting doesn't have to come up with new ones each time.

Motion to Adjourn:

- Mary Young
- Second: Jenny Sawyer
- Meeting adjourned at 2:30 PM.

CALIFORNIA POLITICAL TREASURERS' ASSOCIATION

Statement of Receipts and Disbursements August 19, 2016 through November 17, 2016

Cash Balance on August 18, 2016		\$12,894.13
Receipts:		
Conference Fees		
Sponsor Fees		
Membership Dues		
Luncheon Reimbursements	\$2,335.00	
Total Receipts		\$2,335.00
Disbursements:		
Lobbying	\$3,000.00	
Office Supplies/Credit Card Dis	\$36.00	
Conference Costs		
Net Friends & Family Funds Held		
Website Maintenance		
Meeting Expense	\$2,952.50	
Total Expenses		\$5,988.50
Cash Balance on November 17, 2016		\$9,240.63

Year To Date Information

YTD Income:	2015 Final	2016 YTD
Dues	\$11,875.00	\$11,750.00
Luncheon Reimbursements	\$1,345.00	\$3,255.00
Conference Fees	\$4,007.50	\$7,425.00
Sponsorships	\$5,500.00	\$8,500.00
Total Receipts	\$22,727.50	\$30,930.00
YTD Expenses:		
Office Supplies/Credit Card Dis	\$663.72	\$263.49
Conference Expenses	\$14,201.45	\$18,306.58
Net Friends & Family Outing		\$1,298.00
Meeting Expenses	\$4,919.54	\$3,906.18
Lobbying	\$0.00	\$9,000.00
Website Maintenance	\$600.00	\$600.00
Total Expenses	\$20,384.71	\$33,374.25

Community 1st Bank

WITH YOU • FOR YOU

Your Expertise is Political Treasury Management.... Ours is Banking!

Online Cash Management

Easy to use, immediate electronic access to your accounts, providing a secure method of daily cash management, control and access.

Online Disbursement Services

Community 1st Bank's ACH Origination and Business Bill Pay offer two excellent solutions for managing accounts payable activities.

Merchant Services

A variety of credit card processing options and web based solutions are available at competitive rates for you and your clients.

Business Credit Cards

Community 1st Bank offers business credit cards for political committees. There is also an option available to cash secure a credit card account if needed.

Positive Pay

Identify potential threats of fraud before it's too late. Positive Pay is a web based solution that monitors your check activity on a daily basis so you don't have to. You have the peace of mind knowing your accounts are safeguarded while you attend to the business of running your treasury management business.

Remote Deposit Capture

Eliminate the hassles of daily/weekly deposits with quick easy Remote Deposit Capture. We provide the scanner and your checks get converted to an electronic image. Our encrypted software allows for the safe transmission and deposit into your account. The bank is always open and conveniently located on your desktop.

Courier Service

Courier Service is another convenient alternative to transmitting your deposits to the Bank. Prescheduled or "on call" pickups are available to meet your specific needs.

Low Cost Checking

Community 1st Bank's checking and account analysis fees are among the lowest in the local market affording your association a more cost effective banking arrangement.

Competitive Interest Rates

Community 1st Bank offers a full array of competitive certificate of deposit terms and money market accounts to meet your cash management needs.

For more information about our banking solutions for Political Treasures call.

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The more you know,
the safer your money.

