

# Alameda County Mayors' Conference

## EXECUTIVE COMMITTEE MEETING AGENDA

March 9, 2022

6:00 p.m.

Teleconference Meeting

Access the meeting remotely by using this URL:

<https://us06web.zoom.us/j/9152161630> Meeting ID: 915 216 1630

1. Roll Call
3. Agenda Amendments
4. Public Comments
5. Review and Recommendation Regarding the Financial Audits Prepared by Maze and Associates for the Fiscal Years Ended December 31, 2019, and December 31, 2020.
6. Adjournment

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### **Executive Director's Report**

#### **Agenda Item 5. Review and Recommendation Regarding the Financial Audits Prepared by Maze and Associates for the Years Ended December 31, 2019, and December 31, 2020**

The Alameda County Mayors' Conference Bylaws require the Executive Committee to review and approve an annual financial audit for the preceding fiscal year finances. However, due to the COVID-19 pandemic, the audits were not prepared for fiscal years 2019 and 2020. Maze & Associates has now prepared the audits, which are attached for your review. Vikki Rodriguez, with Maze & Associates, will be at the meeting to address any questions regarding the audits.

There are no findings or concerns in the audits. Financial activity involves expenditures for the Executive Director's salary, Association routine expenses, and meal costs associated with the regular monthly in-person business meetings. Revenue sources include member dues and reimbursements from regional agency representatives attending business meeting meals. For the fiscal year 2020, in-person meetings with meals were suspended in April, resulting in a reduction of the special meeting and dinner expenses to \$5,250. Typically, this expense ranges from about \$17,000 to \$19,000 annually.

# Alameda County Mayors' Conference

Included with the financial audits are the Memorandum of Internal Control and Required Communications for each fiscal year.

RECOMMENDATION – Review the financial audits for the fiscal years ended December 31, 2019, and December 31, 2020, and if appropriate, recommend approval to the entire membership.

## Attachments

Financial audits and audit letters for the fiscal years ended December 31, 2019, and December 31, 2020.

## Executive Committee Members

Chair – Marilyn Ezzy Ashcraft

Vice-Chair – Lily Mei

Immediate Past President – Al Nagy

Member – Melissa Hernandez

Member – (Elected from City Council) John Bauters

Alternate – Carol Dutra-Vernaci

**ALAMEDA COUNTY MAYORS' CONFERENCE**  
**FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED**  
**DECEMBER 31, 2019**

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**ALAMEDA COUNTY MAYORS' CONFERENCE  
FINANCIAL STATEMENTS**

**For The Year Ended December 31, 2019**

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**ALAMEDA COUNTY  
MAYORS' CONFERENCE  
LIST OF MEMBERS  
AS OF DECEMBER 31, 2019**

| <b>CITY</b>         | <b>MAYOR</b>          |
|---------------------|-----------------------|
| City of Alameda     | Marilyn Ezzy Ashcraft |
| City of Albany      | Rochelle Nason        |
| City of Berkeley    | Jesse Arreguin        |
| City of Dublin      | David Haubert         |
| City of Emeryville  | Ally Medina           |
| City of Fremont     | Lily Mei              |
| City of Hayward     | Barbara Halliday      |
| City of Livermore   | John Marchand         |
| City of Newark      | Al Nagy               |
| City of Oakland     | Libby Schaaf          |
| City of Piedmont    | Robert McBain         |
| City of Pleasanton  | Jerry Thorne          |
| City of San Leandro | Pauline Russo Cutter  |
| City of Union City  | Carol Dutra-Vernaci   |

**EXECUTIVE DIRECTOR**

Steve Bocian

## INDEPENDENT AUDITORS' REPORT

To the Executive Committee of the  
Alameda County Mayors' Conference  
San Leandro, California

### *Report on the Financial Statements*

We have audited the accompanying financial statements of the Alameda County Mayors' Conference, which comprise the statement of financial position as of and for the year ended December 31, 2019, and the related statements of activities and cash flows for the year then ended, and the related notes to the financial statements.

### *Management's Responsibility for the Financial Statements*

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

### *Auditor's Responsibility*

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the organization's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the organization's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### *Opinion*

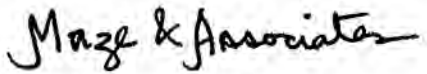
In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Alameda County Mayors' Conference as of December 31, 2019, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

***Report on Summarized Comparative Information***

We have previously audited the Alameda County Mayor's Conference's 2018 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated April 30, 2019. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2018 is consistent, in all material respects, with the audited financial statements from which it has been derived.

***Supplementary Information***

Our audit was made for the purpose of forming an opinion on the basic financial statements taken as a whole. The Graph of Revenues, Expenses and Net Assets listed in the Table of Contents is presented for purposes of additional analysis and is not a required part of the basic financial statements of the organization. Such information has been subjected to the auditing procedures applied in our audits of the basic financial statements, and in our opinion is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

A handwritten signature in black ink that reads "Maze & Associates". The signature is written in a cursive, flowing style.

Pleasant Hill, California  
February 23, 2022



ALAMEDA COUNTY MAYORS' CONFERENCE  
STATEMENT OF FINANCIAL POSITION  
DECEMBER 31, 2019  
WITH COMPARATIVE AMOUNTS AT DECEMBER 31, 2018

|                                  | <u>2019</u>            | <u>2018</u>            |
|----------------------------------|------------------------|------------------------|
| <b>ASSETS</b>                    |                        |                        |
| Current Assets                   |                        |                        |
| Cash in bank:                    |                        |                        |
| Checking                         | <u>\$17,493</u>        | <u>\$20,843</u>        |
| Total Cash in Bank               | <u>17,493</u>          | <u>20,843</u>          |
| Accounts receivable              | <u>10,674</u>          | <u>650</u>             |
| Total Current Assets             | <u><u>\$28,167</u></u> | <u><u>\$21,493</u></u> |
| <b>LIABILITIES</b>               |                        |                        |
| Current Liabilities              |                        |                        |
| Accounts payable                 | \$7,800                | \$3,000                |
| Members' dinner meeting deposits | <u>90</u>              | <u>90</u>              |
| Total Current Liabilities        | <u>7,890</u>           | <u>3,090</u>           |
| <b>NET ASSETS</b>                |                        |                        |
| Without donor restrictions       | <u>20,277</u>          | <u>18,403</u>          |
| Total Liabilities and Net Assets | <u><u>\$28,167</u></u> | <u><u>\$21,493</u></u> |

See accompanying notes to financial statements

ALAMEDA COUNTY MAYORS' CONFERENCE  
STATEMENT OF ACTIVITIES  
BUDGET AND ACTUAL  
FOR THE YEAR ENDED DECEMBER 31, 2019  
WITH ACTUAL SUMMARIZED AMOUNTS FOR THE YEAR ENDED DECEMBER 31, 2018

|   | 2019           |                 |                                    | 2018            |
|---|----------------|-----------------|------------------------------------|-----------------|
|   | Budget         | Actual          | Variance<br>Positive<br>(Negative) | Actual          |
| <b>REVENUES</b>                               |                |                 |                                    |                 |
| Membership dues                               | \$56,240       | \$56,240        |                                    | \$56,240        |
| Dinner meeting reimbursements                 | 4,000          | 3,200           | (\$800)                            | 4,450           |
| Total Revenues                                | 60,240         | 59,440          | (800)                              | 60,690          |
| <b>EXPENSES</b>                               |                |                 |                                    |                 |
| Program:                                      |                |                 |                                    |                 |
| Office supplies and postage                   | 50             |                 | 50                                 |                 |
| Special meetings and dinner expense           | 18,500         | 17,250          | 1,250                              | 18,700          |
| Miscellaneous                                 | 1,200          | 817             | 383                                | 549             |
| Total Program Expense                         | 19,750         | 18,067          | 1,683                              | 19,249          |
| Management and General:                       |                |                 |                                    |                 |
| Executive Director:                           |                |                 |                                    |                 |
| Fee   | 35,016         | 35,016          |                                    | 33,996          |
| Car allowance                                 | 1,471          | 1,483           | (12)                               | 1,428           |
| City of San Leandro accounting services       | 3,000          | 3,000           |                                    | 3,000           |
| Total Management and General                  | 39,487         | 39,499          | (12)                               | 38,424          |
| Total Expenses                                | 59,237         | 57,566          | 1,671                              | 57,673          |
| <b>CHANGES IN NET ASSETS</b>                  | <b>\$1,003</b> | 1,874           | <b>\$871</b>                       | 3,017           |
| <b>NET ASSETS WITHOUT DONOR RESTRICTIONS:</b> |                |                 |                                    |                 |
| Beginning of year                             |                | 18,403          |                                    | 15,386          |
| End of year                                   |                | <b>\$20,277</b> |                                    | <b>\$18,403</b> |

See accompanying notes to financial statements

ALAMEDA COUNTY MAYORS' CONFERENCE  
STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED DECEMBER 31, 2019  
WITH COMPARATIVE AMOUNTS FOR THE YEAR ENDED DECEMBER 31, 2018

|   | 2019             | 2018            |
|---|------------------|-----------------|
| <b>CASH FLOWS FROM OPERATING ACTIVITIES</b>   |                  |                 |
| Cash received for membership dues   | \$56,240         | \$56,240        |
| Cash received from additional dinner guests, net of reimbursements                        | (2,024)          | 7,400           |
| Cash payments to the Executive Director   | (36,499)         | (35,424)        |
| Cash payments to the City of San Leandro  | (3,000)          | (3,000)         |
| Cash payments for special meetings and dinner expense                                     | (17,250)         | (18,700)        |
| Cash payments for miscellaneous revenue and expenses                                      | (817)            | (549)           |
| <b>NET CASH (USED) PROVIDED BY OPERATING ACTIVITIES</b>                                   | <b>(3,350)</b>   | <b>5,967</b>    |
| <b>NET CASH FLOWS</b>   | (3,350)          | 5,967           |
| <b>CASH, BEGINNING OF YEAR</b>  | <b>20,843</b>    | <b>14,876</b>   |
| <b>CASH, END OF YEAR</b>  | <b>\$17,493</b>  | <b>\$20,843</b> |
| <b>RECONCILIATION OF CHANGE IN NET ASSETS TO CASH FLOWS<br/>FROM OPERATING ACTIVITIES</b> |                  |                 |
| Change in Net Assets  | \$1,874          | \$3,017         |
| Increase/decrease in:   |                  |                 |
| Receivables   | (10,024)         | (50)            |
| Payables  | 4,800            | 3,000           |
| <b>NET CASH (USED) PROVIDED BY OPERATING ACTIVITIES</b>                                   | <b>(\$3,350)</b> | <b>\$5,967</b>  |

**SUPPLEMENTAL INFORMATION**

The Conference did not pay any taxes or interest in 2019 or 2018, respectively.

See accompanying notes to financial statements

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**ALAMEDA COUNTY MAYORS' CONFERENCE  
NOTES TO FINANCIAL STATEMENTS**

**For The Year Ended December 31, 2019**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The Alameda County Mayors' Conference (Conference) is a non-profit organization created to facilitate the exchange of ideas and information among Alameda County cities by providing a way for their Mayors and City Managers to meet on a regular basis. Operations are financed from dues assessed on and paid by member cities.

**Basis of Accounting and Financial Statement Presentation**

The financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America (GAAP). The financial statement presentation follows the recommendations of the Financial Accounting Standards Board (FASB) in the Accounting Standards Codification (ASC), No. 958, *Financial Statements of Not-for-Profit Organizations*.

**Cash and Cash Equivalents**

For purposes of reporting cash flow, Alameda County Mayors' Conference considers highly liquid investments available for current use with an initial maturity of three months or less to be cash equivalents.

**Investments**

Investments are measured at fair value in the statement of financial position. Unless law restricts income or loss, investment income or loss (including realized and unrealized gains and losses on investments, interest, and dividends) is included in the increase in unrestricted net assets.

**Concentration of Credit Risk**

The Federal Deposit Insurance Corporation ("FDIC") insures account balances at each insured institution. The Conference maintains deposit accounts with a financial institution and frequently carries balances that exceed FDIC insurance limits.

**Operations**

The Conference is managed by an Executive Director. The Finance Department of the City of San Leandro provides accounting and bookkeeping services.

**Estimates**

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that effect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

**ALAMEDA COUNTY MAYORS' CONFERENCE  
NOTES TO FINANCIAL STATEMENTS**

**For The Year Ended December 31, 2019**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**Net Assets Classifications**

The Conference reports information regarding its financial position and activities according to two classes of net assets:

Net Assets Without Donor Restrictions – Net assets available for use in general operations that are not subject to or are no longer subject to donor-imposed restrictions.

Net Assets With Donor Restrictions – Net assets whose use is limited by donor-imposed time and/or purpose restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity. Donor-imposed restrictions are released when a restriction expires, that is, when the stipulated time has elapsed, when the stipulated purpose for which the resource was restricted has been fulfilled, or both. The Conference does not have any net assets with donor restrictions as of December 31, 2019 and 2018, respectively.

**Income Taxes**

The Conference is exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code and State income taxes under 23701(d) of the California Revenue Taxation Code. Accordingly, no provision for income taxes has been made in the accompanying statements. In addition, the Conference qualifies for the charitable contribution deduction under Section 170(b)(1)(a) and has been classified as an organization that is not a private foundation under Section 509(a)(1). Unrelated business income, if any, may be subject to income tax. The Conference paid no taxes on unrelated business income in the years ended December 31, 2019 and 2018, respectively.

Generally accepted accounting principles require the recognition, measurement, classification, and disclosure in the financial statements of uncertain tax positions taken or expected to be taken in the organization's tax returns. Management has determined that the Conference does not have any uncertain tax positions and associated unrecognized benefits that materially impact the financial statements or related disclosures. Since tax matters are subject to some degree of uncertainty, there can be no assurance that the Conference's tax returns will not be challenged by the taxing authorities and that the Conference will not be subject to additional tax, penalties, and interest as a result of such challenge. Generally, the Conference's tax returns remain open for federal income tax examination for three years from the date of filing.

**ALAMEDA COUNTY MAYORS' CONFERENCE  
NOTES TO FINANCIAL STATEMENTS**

**For The Year Ended December 31, 2019**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**Advertising Costs**

Advertising costs, if any, are expensed as incurred.

**Fair Value Measurements**

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Accounting standards set a framework for measuring fair value using a three-tier hierarchy based on the extent to which inputs used in measuring fair value are observable in the market.

Level 1: Quoted prices in active markets for identical assets or liabilities.

Level 2: Observable inputs other than Level 1 prices such as quoted prices for similar assets or liabilities, quoted prices in markets that are not active, or inputs (interest rates, currency exchange rates, commodity rates and yield curves) that are observable or corroborated by observable market data for substantially the full term of the assets or liabilities.

Level 3: Inputs that are not observable in the market and reflect the management's judgment about the assumptions that market participants would use in pricing the asset or liability.

**Comparative Data**

The financial statement information for the year ended December 31, 2018, presented for comparative purposes, is not intended to be complete financial statement presentation. For a complete presentation, please refer to the financial statements for that fiscal year.

**NOTE 2 - LIQUIDITY AND AVAILABILITY**

Financial assets available for general expenditure, that is, without donor or other restrictions limiting their use within one year of the balance sheet date, comprise the following as of December 31:

|                         | 2019     | 2018     |
|-------------------------|----------|----------|
| Cash in Bank - Checking | \$17,493 | \$20,843 |
| Accounts Receivable     | 10,674   | 650      |
|                         | \$28,167 | \$21,493 |

**NOTE 3 - FUNCTIONAL ALLOCATION OF EXPENSES**

The costs of program and supporting service activities have been detailed on a functional basis in the statement of activities, which presents the natural classification detail of expense by function. All conference expenses are classified as Program and the Executive Director's costs and accounting services are classified as Management and General.

**ALAMEDA COUNTY MAYORS' CONFERENCE  
NOTES TO FINANCIAL STATEMENTS**

**For The Year Ended December 31, 2019**

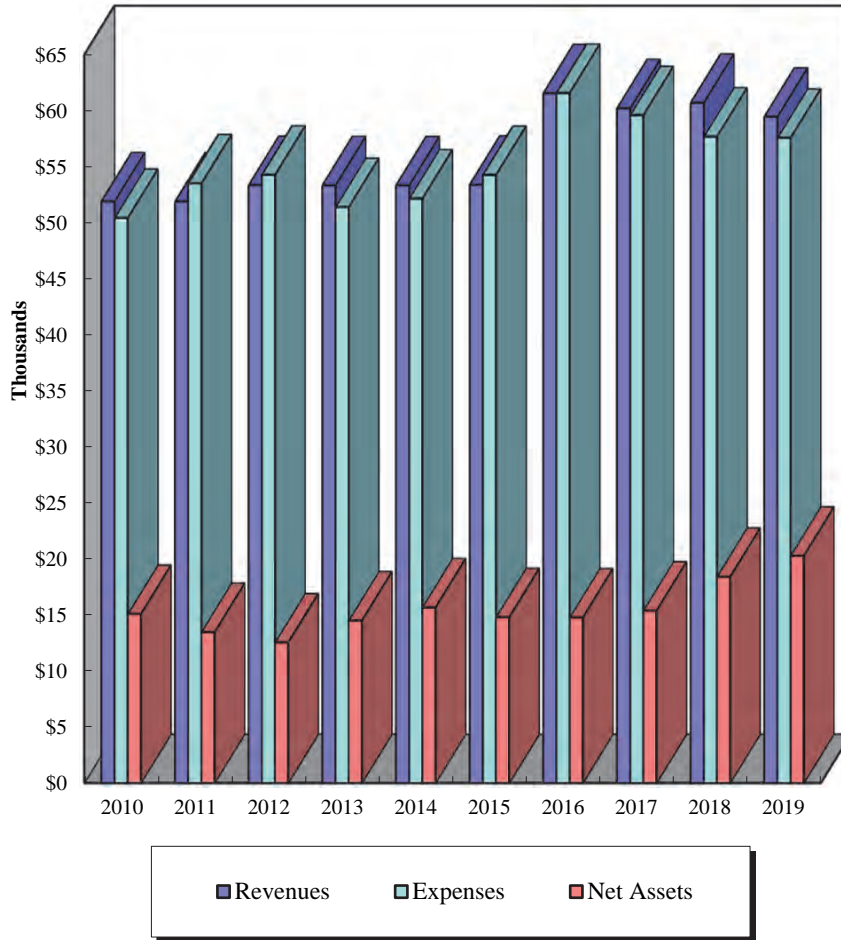
**NOTE 4 - SUBSEQUENT EVENTS**

The Alameda County Mayors' Conference evaluated subsequent events for recognition and disclosure through February 23, 2022, the date which these financial statements were available to be issued. No subsequent events were identified that required adjustment to or disclosure in the financial statements.

On March 11, 2020, the World Health Organization declared the novel strain of Coronavirus (COVID-19) a global pandemic and recommended containment and mitigation measures worldwide. The COVID-19 outbreak in the United States has caused business disruption through mandated and voluntary closings of businesses and shelter in place orders for all but those deemed essential services. While the business disruption was currently expected to be temporary, there is considerable uncertainty around the duration of the closings and shelter in place orders. While the pandemic may negatively affect the Conference, no contingencies have been reported in these financial statements.



**ALAMEDA COUNTY MAYORS' CONFERENCE  
REVENUES, EXPENSES AND NET ASSETS  
LAST TEN FISCAL YEARS**



| Fiscal Year | Revenues | Expenses | Net Assets |
|-------------|----------|----------|------------|
| 2010        | \$51,890 | \$50,416 | \$15,088   |
| 2011        | 51,882   | 53,500   | 13,470     |
| 2012        | 53,348   | 54,267   | 12,551     |
| 2013        | 53,333   | 51,383   | 14,501     |
| 2014        | 53,322   | 52,149   | 15,674     |
| 2015        | 53,379   | 54,252   | 14,801     |
| 2016        | 61,542   | 61,566   | 14,777     |
| 2017        | 60,191   | 59,582   | 15,386     |
| 2018        | 60,690   | 57,673   | 18,403     |
| 2019        | 59,440   | 57,566   | 20,277     |

Source: Annual audited financial statements.

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## MEMORANDUM ON INTERNAL CONTROL

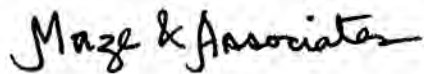
To the Board of Directors of  
The Alameda County Mayor's Conference  
San Leandro, California

In planning and performing our audit of the basic financial statements of the Alameda County Mayor's Conference (Conference) as of and for the year ended December 31, 2019, in accordance with auditing standards generally accepted in the United States of America, we considered the Conference's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Conference's internal control. Accordingly, we do not express an opinion on the effectiveness of the Conference's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the Conference's financial statements will not be prevented, or detected and corrected, on a timely basis.

Our consideration of internal control was for the limited purpose described in the first paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses. In addition, because of inherent limitations in internal control, including the possibility of management override of controls, misstatements due to error or fraud may occur and not be detected by such controls. Given these limitations during our audit, we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

This communication is intended solely for the information and use of management, Board of Directors and others within the Conference, and is not intended to be and should not be used by anyone other than these specified parties.

A handwritten signature in black ink that reads 'Maze & Associates' in a cursive, flowing script.

Pleasant Hill, California  
February 23, 2022

**ALAMEDA COUNTY MAYOR'S CONFERENCE**  
**REQUIRED COMMUNICATIONS**  
**FOR THE YEAR ENDED DECEMBER 31, 2019**

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**ALAMEDA COUNTY MAYOR’S CONFERENCE**

**REQUIRED COMMUNICATIONS**

**For the Year Ended December 31, 2019**

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## REQUIRED COMMUNICATIONS

To the Board of Directors of  
The Alameda County Mayor's Conference  
San Leandro, California

We have audited the financial statements of the Alameda County Mayor's Conference (Conference) for the year ended December 31, 2019. Professional standards require that we communicate to you the following information related to our audit under generally accepted auditing standards.

### **Significant Audit Matters**

#### ***Accounting Policies***

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the Conference are described in Note 1 to the financial statements. No new accounting policies were adopted and the application of existing policies was not changed during the year, except as follows:

The following Financial Accounting Standards Board (FASB) update became effective, but did not have a material effect on the financial statements:

**FASB Accounting Standards Update Number 2014-09** – Revenue from Contracts with Customers (Topic 606), deferred by FASB ASU 2015-14

#### ***Unusual Transactions, Controversial or Emerging Areas***

We noted no transactions entered by the Conference during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

As discussed in Note 4 of the financial statements, on March 11, 2020, the World Health Organization declared the novel strain of Coronavirus (COVID-19) a global pandemic and recommended containment and mitigation measures worldwide. The COVID-19 outbreak in the United States has caused business disruption through mandated and voluntary closings of businesses and shelter in place orders for all but those deemed essential services. While the business disruption is currently expected to be temporary, there is considerable uncertainty around the duration of the closings and shelter in place orders. As a result, equity markets have significantly declined from their historically high level. The impact to the Conference is unknown at this time, therefore, no contingency has been recorded in these financial statements.



### ***Accounting Estimates***

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive balances subject to estimation include receivables and payables. We evaluated the key factors and assumptions used to estimate the fair values in determining that it is reasonable in relation to the financial statements taken as a whole.

### ***Disclosures***

The financial statement disclosures are neutral, consistent, and clear.

### ***Difficulties Encountered in Performing the Audit***

We encountered no difficulties in dealing with management in performing and completing our audit.

### ***Corrected and Uncorrected Misstatements***

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. We did not propose any audit adjustments that, in our judgment, could have a significant effect, either individually or in the aggregate, on the Conference's financial reporting process.

Professional standards require us to accumulate all known and likely uncorrected misstatements identified during the audit, other than those that are trivial, and communicate them to the appropriate level of management. We have no such misstatements to report to the Board of Directors.

### ***Disagreements with Management***

For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

### ***Management Representations***

We have requested certain representations from management that are included in a management representation letter dated February 23, 2022.

***Management Consultations with Other Independent Accountants***

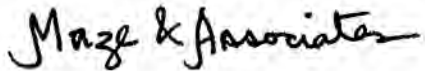
In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a “second opinion” on certain situations. If a consultation involves application of an accounting principle to the Conference’s financial statements or a determination of the type of auditor’s opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

***Other Audit Findings or Issues***

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the Conference’s auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

\*\*\*\*\*

This information is intended solely for the use of the Board of Directors and management and is not intended to be, and should not be, used by anyone other than these specified parties.



Pleasant Hill, California  
February 23, 2022

**ALAMEDA COUNTY MAYORS' CONFERENCE**  
**FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED**  
**DECEMBER 31, 2020**

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**ALAMEDA COUNTY MAYORS' CONFERENCE  
FINANCIAL STATEMENTS**

**For The Year Ended December 31, 2020**

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**ALAMEDA COUNTY  
MAYORS' CONFERENCE  
LIST OF MEMBERS  
AS OF DECEMBER 31, 2020**

| <b>CITY</b>         | <b>MAYOR</b>          |
|---------------------|-----------------------|
| City of Alameda     | Marilyn Ezzy Ashcraft |
| City of Albany      | Nick Pilch            |
| City of Berkeley    | Jesse Arreguin        |
| City of Dublin      | David Haubert         |
| City of Emeryville  | Christian Patz        |
| City of Fremont     | Lily Mei              |
| City of Hayward     | Barbara Halliday      |
| City of Livermore   | John Marchand         |
| City of Newark      | Al Nagy               |
| City of Oakland     | Libby Schaaf          |
| City of Piedmont    | Robert McBain         |
| City of Pleasanton  | Jerry Thorne          |
| City of San Leandro | Pauline Russo Cutter  |
| City of Union City  | Carol Dutra-Vernaci   |

**EXECUTIVE DIRECTOR**

Steve Bocian

## INDEPENDENT AUDITORS' REPORT

To the Executive Committee of the  
Alameda County Mayors' Conference  
San Leandro, California

### ***Report on the Financial Statements***

We have audited the accompanying financial statements of the Alameda County Mayors' Conference, which comprise the statement of financial position as of and for the year ended December 31, 2020, and the related statements of activities and cash flows for the year then ended, and the related notes to the financial statements.

### ***Management's Responsibility for the Financial Statements***

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

### ***Auditor's Responsibility***

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the organization's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the organization's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### ***Opinion***

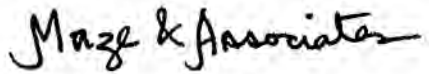
In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Alameda County Mayors' Conference as of December 31, 2020, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

***Report on Summarized Comparative Information***

We have previously audited the Alameda County Mayor's Conference's 2019 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated February 23, 2022. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2019, is consistent, in all material respects, with the audited financial statements from which it has been derived.

***Supplementary Information***

Our audit was made for the purpose of forming an opinion on the basic financial statements taken as a whole. The Graph of Revenues, Expenses and Net Assets listed in the Table of Contents is presented for purposes of additional analysis and is not a required part of the basic financial statements of the organization. Such information has been subjected to the auditing procedures applied in our audits of the basic financial statements, and in our opinion is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

A handwritten signature in black ink that reads "Maze & Associates". The signature is written in a cursive, flowing style.

Pleasant Hill, California  
February 23, 2022



ALAMEDA COUNTY MAYORS' CONFERENCE  
STATEMENT OF FINANCIAL POSITION  
DECEMBER 31, 2020  
WITH COMPARATIVE AMOUNTS AT DECEMBER 31, 2019

|                                  | <u>2020</u>            | <u>2019</u>            |
|----------------------------------|------------------------|------------------------|
| <b>ASSETS</b>                    |                        |                        |
| Current Assets                   |                        |                        |
| Cash in bank:                    |                        |                        |
| Checking                         | <u>\$29,315</u>        | <u>\$17,493</u>        |
| Total Cash in Bank               | <u>29,315</u>          | <u>17,493</u>          |
| Accounts receivable              | <u>2,700</u>           | <u>10,674</u>          |
| Total Current Assets             | <u><u>\$32,015</u></u> | <u><u>\$28,167</u></u> |
| <b>LIABILITIES</b>               |                        |                        |
| Current Liabilities              |                        |                        |
| Accounts payable                 |                        | \$7,800                |
| Members' dinner meeting deposits | <u>\$90</u>            | <u>90</u>              |
| Total Current Liabilities        | <u>90</u>              | <u>7,890</u>           |
| <b>NET ASSETS</b>                |                        |                        |
| Without donor restrictions       | <u>31,925</u>          | <u>20,277</u>          |
| Total Liabilities and Net Assets | <u><u>\$32,015</u></u> | <u><u>\$28,167</u></u> |

See accompanying notes to financial statements

ALAMEDA COUNTY MAYORS' CONFERENCE  
STATEMENT OF ACTIVITIES  
BUDGET AND ACTUAL  
FOR THE YEAR ENDED DECEMBER 31, 2020  
WITH ACTUAL SUMMARIZED AMOUNTS FOR THE YEAR ENDED DECEMBER 31, 2019

|   | 2020           |                 | Variance<br>Positive<br>(Negative) | 2019            |
|---|----------------|-----------------|------------------------------------|-----------------|
|   | Budget         | Actual          |                                    | Actual          |
| <b>REVENUES</b>                               |                |                 |                                    |                 |
| Membership dues                               | \$56,240       | \$56,240        |                                    | \$56,240        |
| Dinner meeting reimbursements                 | 4,000          | 650             | (\$3,350)                          | 3,200           |
| Total Revenues                                | <u>60,240</u>  | <u>56,890</u>   | <u>(3,350)</u>                     | <u>59,440</u>   |
| <b>EXPENSES</b>                               |                |                 |                                    |                 |
| Program:                                      |                |                 |                                    |                 |
| Office supplies and postage                   | 200            |                 | 200                                |                 |
| Special meetings and dinner expense           | 18,500         | 5,250           | 13,250                             | 17,250          |
| Miscellaneous                                 | 900            | 505             | 395                                | 817             |
| Total Program Expense                         | <u>19,600</u>  | <u>5,755</u>    | <u>13,845</u>                      | <u>18,067</u>   |
| Management and General:                       |                |                 |                                    |                 |
| Executive Director:                           |                |                 |                                    |                 |
| Fee   | 35,016         | 35,016          |                                    | 35,016          |
| Car allowance                                 | 1,476          | 1,471           | 5                                  | 1,483           |
| City of San Leandro accounting services       | 3,000          | 3,000           |                                    | 3,000           |
| Total Management and General                  | <u>39,492</u>  | <u>39,487</u>   | <u>5</u>                           | <u>39,499</u>   |
| Total Expenses                                | <u>59,092</u>  | <u>45,242</u>   | <u>13,850</u>                      | <u>57,566</u>   |
| <b>CHANGES IN NET ASSETS</b>                  | <u>\$1,148</u> | 11,648          | <u>\$10,500</u>                    | 1,874           |
| <b>NET ASSETS WITHOUT DONOR RESTRICTIONS:</b> |                |                 |                                    |                 |
| Beginning of year                             |                | <u>20,277</u>   |                                    | <u>18,403</u>   |
| End of year                                   |                | <u>\$31,925</u> |                                    | <u>\$20,277</u> |

See accompanying notes to financial statements

ALAMEDA COUNTY MAYORS' CONFERENCE  
STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED DECEMBER 31, 2020  
WITH COMPARATIVE AMOUNTS FOR THE YEAR ENDED DECEMBER 31, 2019

|  | 2020            | 2019             |
|--|-----------------|------------------|
| <b>CASH FLOWS FROM OPERATING ACTIVITIES</b>  |                 |                  |
| Cash received for membership dues  | \$56,240        | \$56,240         |
| Cash received from additional dinner guests, net of reimbursements                     | 824             | (2,024)          |
| Cash payments to the Executive Director  | (36,487)        | (36,499)         |
| Cash payments to the City of San Leandro   | (3,000)         | (3,000)          |
| Cash payments for special meetings and dinner expense                                  | (5,250)         | (17,250)         |
| Cash payments for miscellaneous revenue and expenses                                   | (505)           | (817)            |
| <b>NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES</b>                                | <b>11,822</b>   | <b>(3,350)</b>   |
| <b>NET CASH FLOWS</b>  | 11,822          | (3,350)          |
| <b>CASH, BEGINNING OF YEAR</b>   | <b>17,493</b>   | <b>20,843</b>    |
| <b>CASH, END OF YEAR</b>   | <b>\$29,315</b> | <b>\$17,493</b>  |
| <b>RECONCILIATION OF CHANGES IN NET ASSETS TO CASH FLOWS FROM OPERATING ACTIVITIES</b> |                 |                  |
| Changes in Net Assets  | \$11,648        | \$1,874          |
| Increase/decrease in:  |                 |                  |
| Receivables  | 7,974           | (10,024)         |
| Payables   | (7,800)         | 4,800            |
| <b>NET CASH PROVIDED BY OPERATING ACTIVITIES</b>                                       | <b>\$11,822</b> | <b>(\$3,350)</b> |

**SUPPLEMENTAL INFORMATION**

The Conference did not pay any taxes or interest in 2020 or 2019, respectively.

See accompanying notes to financial statements

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**ALAMEDA COUNTY MAYORS' CONFERENCE  
NOTES TO FINANCIAL STATEMENTS**

**For The Year Ended December 31, 2020**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The Alameda County Mayors' Conference (Conference) is a non-profit organization created to facilitate the exchange of ideas and information among Alameda County cities by providing a way for their Mayors and City Managers to meet on a regular basis. Operations are financed from dues assessed on and paid by member cities.

**Basis of Accounting and Financial Statement Presentation**

The financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America (GAAP). The financial statement presentation follows the recommendations of the Financial Accounting Standards Board (FASB) in the Accounting Standards Codification (ASC), No. 958, *Financial Statements of Not-for-Profit Organizations*.

**Cash and Cash Equivalents**

For purposes of reporting cash flow, Alameda County Mayors' Conference considers highly liquid investments available for current use with an initial maturity of three months or less to be cash equivalents.

**Investments**

Investments are measured at fair value in the statement of financial position. Unless law restricts income or loss, investment income or loss (including realized and unrealized gains and losses on investments, interest, and dividends) is included in the increase in unrestricted net assets.

**Concentration of Credit Risk**

The Federal Deposit Insurance Corporation ("FDIC") insures account balances at each insured institution. The Conference maintains deposit accounts with a financial institution and frequently carries balances that exceed FDIC insurance limits.

**Operations**

The Conference is managed by an Executive Director. The Finance Department of the City of San Leandro provides accounting and bookkeeping services.

**Estimates**

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that effect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

**ALAMEDA COUNTY MAYORS' CONFERENCE  
NOTES TO FINANCIAL STATEMENTS**

**For The Year Ended December 31, 2020**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**Net Assets Classifications**

The Conference reports information regarding its financial position and activities according to two classes of net assets:

Net Assets Without Donor Restrictions – Net assets available for use in general operations that are not subject to or are no longer subject to donor-imposed restrictions.

Net Assets With Donor Restrictions – Net assets whose use is limited by donor-imposed time and/or purpose restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity. Donor-imposed restrictions are released when a restriction expires, that is, when the stipulated time has elapsed, when the stipulated purpose for which the resource was restricted has been fulfilled, or both. The Conference does not have any net assets with donor restrictions as of December 31, 2020, and 2019, respectively.

**Income Taxes**

The Conference is exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code and State income taxes under 23701(d) of the California Revenue Taxation Code. Accordingly, no provision for income taxes has been made in the accompanying statements. In addition, the Conference qualifies for the charitable contribution deduction under Section 170(b)(1)(a) and has been classified as an organization that is not a private foundation under Section 509(a)(1). Unrelated business income, if any, may be subject to income tax. The Conference paid no taxes on unrelated business income in the years ended December 31, 2020, and 2019, respectively.

Generally accepted accounting principles require the recognition, measurement, classification, and disclosure in the financial statements of uncertain tax positions taken or expected to be taken in the organization's tax returns. Management has determined that the Conference does not have any uncertain tax positions and associated unrecognized benefits that materially impact the financial statements or related disclosures. Since tax matters are subject to some degree of uncertainty, there can be no assurance that the Conference's tax returns will not be challenged by the taxing authorities and that the Conference will not be subject to additional tax, penalties, and interest as a result of such challenge. Generally, the Conference's tax returns remain open for federal income tax examination for three years from the date of filing.

**ALAMEDA COUNTY MAYORS' CONFERENCE  
NOTES TO FINANCIAL STATEMENTS**

**For The Year Ended December 31, 2020**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**Advertising Costs**

Advertising costs, if any, are expensed as incurred.

**Fair Value Measurements**

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Accounting standards set a framework for measuring fair value using a three-tier hierarchy based on the extent to which inputs used in measuring fair value are observable in the market.

Level 1: Quoted prices in active markets for identical assets or liabilities.

Level 2: Observable inputs other than Level 1 prices such as quoted prices for similar assets or liabilities, quoted prices in markets that are not active, or inputs (interest rates, currency exchange rates, commodity rates and yield curves) that are observable or corroborated by observable market data for substantially the full term of the assets or liabilities.

Level 3: Inputs that are not observable in the market and reflect the management's judgment about the assumptions that market participants would use in pricing the asset or liability.

**Comparative Data**

The financial statement information for the year ended December 31, 2019, presented for comparative purposes, is not intended to be complete financial statement presentation. For a complete presentation, please refer to the financial statements for that fiscal year.

**NOTE 2 - LIQUIDITY AND AVAILABILITY**

Financial assets available for general expenditure, that is, without donor or other restrictions limiting their use within one year of the balance sheet date, comprise the following as of December 31:

|                         | 2020     | 2019     |
|-------------------------|----------|----------|
| Cash in Bank - Checking | \$29,315 | \$17,493 |
| Accounts Receivable     | 2,700    | 10,674   |
|                         | \$32,015 | \$28,167 |

**NOTE 3 - FUNCTIONAL ALLOCATION OF EXPENSES**

The costs of program and supporting service activities have been detailed on a functional basis in the statement of activities, which presents the natural classification detail of expense by function. All conference expenses are classified as Program and the Executive Director's costs and accounting services are classified as Management and General.

**ALAMEDA COUNTY MAYORS' CONFERENCE  
NOTES TO FINANCIAL STATEMENTS**

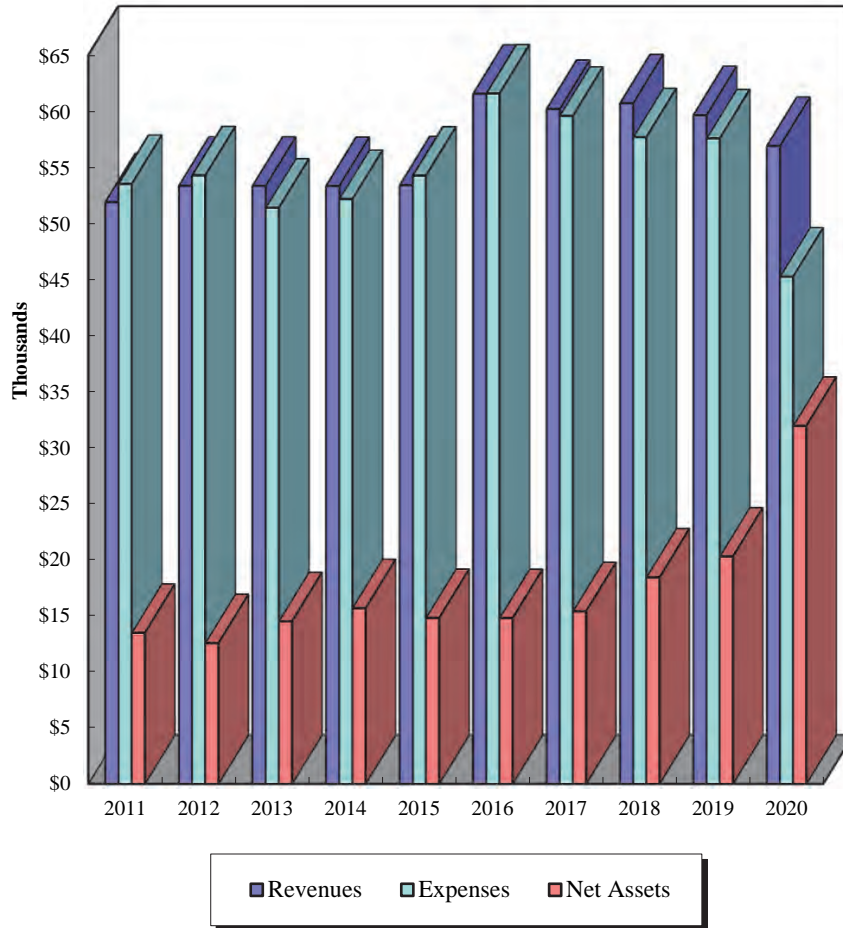
**For The Year Ended December 31, 2020**

**NOTE 4 – SUBSEQUENT EVENTS**

The Alameda County Mayors' Conference evaluated subsequent events for recognition and disclosure through February 23, 2022, the date which these financial statements were available to be issued. No subsequent events were identified that required adjustment to or disclosure in the financial statements.



**ALAMEDA COUNTY MAYORS' CONFERENCE  
REVENUES, EXPENSES AND NET ASSETS  
LAST TEN FISCAL YEARS**



| Fiscal Year | Revenues | Expenses | Net Assets |
|-------------|----------|----------|------------|
| 2011        | \$51,882 | \$53,500 | \$13,470   |
| 2012        | 53,348   | 54,267   | 12,551     |
| 2013        | 53,333   | 51,383   | 14,501     |
| 2014        | 53,322   | 52,149   | 15,674     |
| 2015        | 53,379   | 54,252   | 14,801     |
| 2016        | 61,542   | 61,566   | 14,777     |
| 2017        | 60,191   | 59,582   | 15,386     |
| 2018        | 60,690   | 57,673   | 18,403     |
| 2019        | 59,640   | 57,566   | 20,277     |
| 2020        | 56,890   | 45,242   | 31,925     |

Source: Annual audited financial statements.

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## MEMORANDUM ON INTERNAL CONTROL

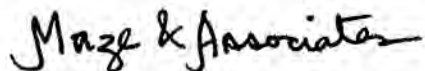
To the Board of Directors of  
The Alameda County Mayor's Conference  
San Leandro, California

In planning and performing our audit of the basic financial statements of the Alameda County Mayor's Conference (Conference) as of and for the year ended December 31, 2020, in accordance with auditing standards generally accepted in the United States of America, we considered the Conference's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Conference's internal control. Accordingly, we do not express an opinion on the effectiveness of the Conference's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the Conference's financial statements will not be prevented, or detected and corrected, on a timely basis.

Our consideration of internal control was for the limited purpose described in the first paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses. In addition, because of inherent limitations in internal control, including the possibility of management override of controls, misstatements due to error or fraud may occur and not be detected by such controls. Given these limitations during our audit, we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

This communication is intended solely for the information and use of management, Board of Directors and others within the Conference, and is not intended to be and should not be used by anyone other than these specified parties.

A handwritten signature in black ink that reads 'Maze & Associates' in a cursive, flowing script.

Pleasant Hill, California  
February 23, 2022

**ALAMEDA COUNTY MAYOR'S CONFERENCE**  
**REQUIRED COMMUNICATIONS**  
**FOR THE YEAR ENDED DECEMBER 31, 2020**

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**ALAMEDA COUNTY MAYOR’S CONFERENCE**

**REQUIRED COMMUNICATIONS**

**For the Year Ended December 31, 2020**

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## REQUIRED COMMUNICATIONS

To the Board of Directors of  
The Alameda County Mayor's Conference  
San Leandro, California

We have audited the financial statements of the Alameda County Mayor's Conference (Conference) for the year ended December 31, 2020. Professional standards require that we communicate to you the following information related to our audit under generally accepted auditing standards.

### **Significant Audit Findings**

#### ***Accounting Policies***

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the Organization are described in Note 1 to the financial statements. No new accounting policies were adopted and the application of existing policies was not changed during the year.

#### ***Unusual Transactions, Controversial or Emerging Areas***

We noted no transactions entered by the Conference during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

#### ***Accounting Estimates***

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected.

We evaluated the key factors and assumptions used to develop these estimates in determining that it is reasonable in relation to the financial statements taken as a whole.

#### ***Disclosures***

The financial statement disclosures are neutral, consistent, and clear.

#### ***Difficulties Encountered in Performing the Audit***

We encountered no difficulties in dealing with management in performing and completing our audit.



***Corrected and Uncorrected Misstatements***

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. We did not propose any audit adjustments that, in our judgment, could have a significant effect, either individually or in the aggregate, on the Conference’s financial reporting process.

Professional standards require us to accumulate all known and likely uncorrected misstatements identified during the audit, other than those that are trivial, and communicate them to the appropriate level of management. We have no such misstatements to report to the Board of Directors.

***Disagreements with Management***

For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor’s report. We are pleased to report that no such disagreements arose during the course of our audit.

***Management Representations***

We have requested certain representations from management that are included in a management representation letter dated February 23, 2022.

***Management Consultations with Other Independent Accountants***

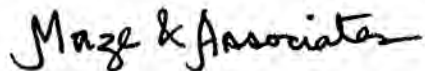
In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a “second opinion” on certain situations. If a consultation involves application of an accounting principle to the Conference’s financial statements or a determination of the type of auditor’s opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

***Other Audit Findings or Issues***

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the Conference’s auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

\*\*\*\*\*

This information is intended solely for the use of the Board and management and is not intended to be, and should not be, used by anyone other than these specified parties.



Pleasant Hill, California  
February 23, 2022