GFOAz News

A Publication of the Government Finance Officers Association of Arizona

www.gfoaz.org November 2003

President's Letter

I wanted to make you aware of some of the programs the Executive Board has been working on during the last couple of months. We are currently developing a scholarship program that would offer financial assistance to be used for training opportunities that would assist members with their current job assignments or assist them in advancing their careers within the governmental finance field. The next board meeting is scheduled in January and it is my hope to have a pilot program developed when we leave this meeting.

The Education Committee has been busy scheduling affordable quality training opportunities for our members. Hopefully, many of you were able to attend or send your staff to the budget training on November 13th. The Cash Handling class that has been very popular will be offered again in February. We are planning on having two sessions available, one in Southern Arizona and one in the Phoenix metro area.

Lastly, our annual conference has been scheduled for March 31st-April 2nd in Prescott. We are currently developing topics for the various sessions but we would like your input as to what programs you would be interested in attending. Please contact any of your Board Members or Wendy or Dana at the League with your suggestions.

Kathy Pace

Kathy Pace
GFOAz President
Controller, City of Mesa

Save the Date

December 9-10, 2003
Arizona Tax Talk
Radisson Hotel, Tucson

December 10, 2003
GFOA Internet Training
Accounting for Impairments of Capital Assets

December 16-17, 2003
Arizona Tax Talk
Glendale Civic Center, Glendale

January 1, 2004
Last Day to Submit Nomination Letters for Board of Directors

January 12-16, 2004
GFOA Training
Newport Beach, CA

March 31- April 2, 2004
GFOAz Annual Conference
Prescott Resort, Prescott

June 13-16, 2004
GFOA Annual Conference
Milwaukee, WI

Are You Interested in Serving on the GFOAz Board of Directors?

Leadership for GFOAz is provided by an eight member board. The board includes the President, President-Elect, Immediate Past President, Chairperson of the Education Committee and four at-large directors. In accordance with the bylaws, the at-large directors have staggered, two-year terms of office. In 2004, there are two at-large director seats open. Any Active member in good standing is eligible for election to membership on the board. An Active member is defined as any public employee or elected or appointed official having responsibility for, or engaged in, the function of governmental finance in any public jurisdiction of the State of Arizona.

The board members that are scheduled to remain on the board in 2004 to fulfill their terms are Kathy Pace, Mesa, Immediate Past President, Robert Nilles, Surprise, President, Glenn Smith, Payson, President-Elect, Stacey Lemos, Sahuarita, Director, Jeff Tyne, Peoria, Director, and Dennis Massara, Lake Havasu City, Education Committee Chair.

If you would like to be considered for one of the two at-large director positions, please submit a brief letter that includes: your name, title, organization, a brief summary of your experience and why you are interested in serving on the board. Letters may be mailed, faxed or e-mailed to GFOAz at 1820 W. Washington St. Phoenix, AZ 85007; fax (602) 253-3874; e-mail info@gfoaz.org. and must be received no later than January 1, 2004. A summary of this information will be on the ballots distributed to Active members in January 2004. Election results will be announced by the end of February.

Earn 2 CPE Credits Without Leaving Your Desk!

GFOA is offering "Accounting for Impairments of Capital Assets" a real-time internet training Wednesday, December 10 from 2 p.m.- 4 p.m. EST (12 p.m. - 2 p.m. MST). It is common for accountants in the public sector to face the challenge of how to deal with the impairments to a government's capital assets resulting from physical damage, obsolescence, changes in use, and similar circumstances. GASB is about to release new authoritative guidance on

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GFOAz Board

Kathy Pace, President
Controller
City of Mesa

Robert Nilles, President-Elect
Finance Administrator
City of Surprise

Brent Mattingly
Immediate Past President
Deputy Finance Director
City of Peoria

Glenn Smith, Treasurer
Deputy Town Manager
Town of Payson

Stacey Lemos, Member At-large
Finance Director
Town of Sahuarita

Regina Pace, Member At-large
City Treasurer/Finance Director
City of Douglas

Jeff Tyne, Member At-large
Budget Officer
City of Peoria

Dennis Massara
Education Committee Chair
Assistant Finance Director
City of Lake Havasu City

GFOAz News is published by the Government Finance Officers Association of Arizona. Forward your comments or suggestions to the League of Arizona Cities and Towns, Attn: Wendy Kaserman, 1820 W. Washington Street, Phoenix, Arizona 85007, Phone: 602-258-5786, Fax: 602-253-3874, email: wkaserma@mg.state.az.us

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the proper accounting and financial reporting in such situations. GASB's approach to capital asset impairment will differ profoundly from the approach taken in the private sector, even in the case of proprietary funds and business-type activities. This two-hour interactive training seminar will use a combination of lecture, examples, and practical exercises to help participants master the new GASB guidance. To register for the training, visit the GFOA web site, www.gfoa.org and click on e-Store.

GFOA Offers Series of Seminars in CA

January 12- 16, GFOA is offering a series of seminars at the Hyatt Newporter in Newport Beach, CA. Seminar topics include: Pension Accounting, Advanced Governmental Budgeting and Strategic Planning, Advanced PERS Administration, Capital Asset Accounting and Reporting, Preparing a CAFR, Financial and ERP Systems Acquisition and Implementation, and Intermediate Governmental Accounting.

Registration costs vary based on the length of the seminar, however individuals who register before December 12, 2003 will receive a 10% discount on registration costs. GFOA also offers discounts to organizations that send more three employees to the same seminar, and new members. For more information about the seminars visit the GFOA web site, www.gfoa.org.

Mesa Joins with Others to Form the Strategic Alliance for Volume Expenditures

Mesa joined with 21 other local jurisdictions, including cities and school districts, to form the Strategic Alliance for Volume Expenditures (SAVE). Based on a state cooperative purchasing program, SAVE coordinates bidding and contracting for commonly used items such as water treatment chemicals, recycling containers, buses, bus shelters, and traffic signal equipment. One SAVE member agency serves as the lead to develop specifications, solicit bids, and evaluate potential vendors. Then other members help to select the vendor, and the lead agency awards the contract through its governmental approval process. Any SAVE member can purchase from the chosen vendor, according to the SAVE bylaws and intergovernmental agreement. The group has a website to identify contacts and facilitate the process. For more information about this program, contact Larry Dougherty at (480) 644-3095 or larry_dougherty@cityofmesa.org.

Don't Forget to Make Your Reservations for the 2004 GFOAz Annual Conference!

The 2004 GFOAz Annual Conference is March 31-April 2 at the Prescott Resort in Prescott. Room reservations may be made at the group rates of $89-$119/night, depending on your room preference, by calling 800-967-4637. The group rates are available through March 1, 2004. Registration packets for the conference will be mailed to members and posted on the GFOAz web site (www.gfoaz.org) in January.

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High Tech Options For An Age Old Problem

Rich O'Connor, NBS Government Finance Group

Special Assessment or Special Financing Districts ("SFD"), such as Local Improvement Districts (LID), Special Tax districts, Business Improvement Districts (BID), Special Service Areas, Sewer/Water connection fees, Parcel Loans and the like have been around a long time, and are currently en vogue given the dearth of revenues for new development or services desired. The management of these SFD's, including amortizing, calculating, tracking, and billing has been relegated to dusty 3x5 cards, unsuitable A/R systems, and other antiquated systems. Specialized software is available to perform these tasks in an efficient manner, and linking this data to a website gives constituents direct access.

With the number of SFD's growing every year, cities, counties and other local governmental agencies have had to look at different options to help with the management of these districts. These options typically cluster into three areas:

1. Customized Module of financial system ("ERP module")
2. In-house Custom application
3. Specialized Software application ("best of breed solution")

While the ERP module approach allows for some integration with other applications, the customization may be a very difficult and costly effort. An in-house custom application built for an agency offers a very specific set of tools to fit the situation, but development can also be quite costly.

The ERP module or in-house custom application are often a big help and take a lot of the mundane tasks away from the user. However, with technology changing so rapidly, these applications become obsolete very quickly unless they are maintained on a regular basis. Another option is specialized software, the so-called "best of breed solution." This software can be purchased or leased, and in some cases maintained remotely via an Internet connection. This is a relatively new and fast-growing option.

As an example, the City of Scottsdale was looking for a scaleable solution for their administration and billing needs that would grow with the City as it created more SFD's. They had a vision of improved internal productivity and external access. Furthermore, the City had high requirements for data connectivity, multi-tasking ability and a graphical user interface. Through an RFP process they hired a company that was able to provide the software and ongoing support, convert the data, provide training to the staff and also offer the City the ability to link the SFD data to their website for 24/7 citizen access. This allowed citizens to look up on the City's familiar website information about any SFD lien on their property. This type of leading-edge solution is cost effective and allows public agencies to provide "always available" information to an increasingly sophisticated constituency.

GFOA Accepting Applications for 2004 Awards for Excellence in Government Finance

The GFOA's Awards for Excellence in Government Finance recognize contributions to the practice of government finance that exemplify outstanding financial management. The awards stress practical, documented work that offers leadership to the profession and promotes improved public finance. Entries may be submitted for consideration in any of the following eight categories:

- accounting, auditing, and financial reporting;
- budgeting and financial planning;
- cash management and investing;
- capital finance and debt administration;
- pensions and benefits;
- management and service delivery;
- enterprise financial systems;
- technology.

Eight criteria are examined when considering an application for the award: local significance and value, technical significance, transferability, documentation, the cost/benefit analysis, efficiency, originality, and durability. Membership in the GFOA is not required to apply for an award; however, nonmembers and students must be sponsored by an active GFOA member.

For more information or to download an application, visit the GFOA web site, www.gfoa.org. All entries must be postmarked by January 31, 2004.

MEMBER PROFILE

Donna Meinerts

Comptroller
Town of Payson

Where are you originally from?
I was born and raised in South Dakota. In 1987, my husband and I relocated our family to Chandler, Arizona. Then, in 1995, we moved to Payson, AZ where we have lived ever since.

What do you like most about your job?
I enjoy the many problem-solving challenges the accounting field brings with it. I like to analyze problems, and then find not only the solution, but also the cause of the problem. It gives me a sense of satisfaction when I can solve complex problems.

What areas of government finance interest you the most?
I've always enjoyed working in the areas of auditing and budgeting.

What other communities have you worked for?
Prior to my employment with the Town of Payson, I worked in both the private and not-for-profit sectors of accounting in Arizona and in the private sector in South Dakota.

Who is your favorite musician?
I am currently expanding my horizons when it comes to music; I can't say that I have any one favorite musician. As long as the artist isn't screaming at me or using profanity, I'm willing to listen to it. I've even started listening to some of my children's music!

What is your favorite book?
When our children were young, my husband and I would read "The Little House on the Prairie" series of books by Laura Ingalls Wilder. The stories were based on the Ingalls' homestead life in South Dakota, not far from where we grew up.

Renewal Reminder

All GFOAz members were sent membership renewal invoices this month. Your dues and updated membership information must be received by January 1, 2004 in order for your contact information to be included in the 2004 GFOAz Membership Directory.

Arizona Tax Talk 2003

The Arizona Forum for the Improvement of Taxation (AFIT) and the Internal Revenue Service in conjunction with the Arizona Department of Revenue have partnered to offer this two day program designed to provide participants with complete and accurate updates in tax laws and procedures, and to address issues of concern. Participants will also have the opportunity to learn more about BRITS. Although it's currently under development, the Department of Revenue expects to have this innovative system up and running in 2004.

The two day conference is being offered in three locations in December:

December 2-3
Sheraton Phoenix Airport Hotel

December 9-10
Radisson Hotel
181 West Broadway
Tucson, AZ

December 16-17
Glendale Civic Center
5750 West Glenn Dr.
Glendale, AZ

The registration fee for the conference $139 per person (the one-day rate is $100 per person and you may select day one of day two of the program). Attendance at the conference qualifies for CPE credits. For more information about the conference or to register, call the Department of Revenue Community OutReach and Education Office at (602) 542-3062.

Department of Commerce Study Defines Multi-Faceted State Economy

There are 11 distinct regional economies in Arizona each with its own set of opportunities and constraints. The latest chapters of the Statewide Economic Study (SES) prepared for the Arizona Department of Commerce were released in October and show that common issues and base industries, rather than geographic or political boundaries define these regions.

Commerce Director Gilbert Jimenez says these most recent phases of the SES reveal that no one policy approach or single goal can maximize opportunities for all of Arizona. "The data collected, matched to local general plans and community outreach provide us with the critical foundation on which to develop 'Arizona 2012,' the state's long-term economic strategy.

At the direction of Governor Janet Napolitano, the plan will define a new vision for Arizona by integrating this information with key economic elements from efforts such as the Council on Innovation and Technology, the Military Facilities and Essential Services Taskforces, CANAMEX and the Military Airports Regional Compatibility Project."

Elliott D. Pollack & Company and Pat Schroeder of Practical Solutions guided 20 public outreach meetings over all Arizona counties and four others that addressed Native American concerns. They also integrated local plans and the first phases of the SES (released in 2002) before completing a set of strategic findings. "Arizona is not an economic monolith." Says economist Elliott Pollack. "Our goal with this report is to help Arizona's regional economies better understand where they fit and the issues that will define their future."

Pat Schroeder and members of Pollack's staff revealed the region-by-region findings to an audience of more than 200 during a two-hour advance session at the 2003 Governor's Rural Development Conference in Partnership with the Arizona Association for Economic Development Fall Conference.

Cathy Connolly of the League of Arizona Cities and Towns believes her members will be pleased to have the report specifics. "The concept of economic regions is very welcome for communities. Until now, we hadn't distinguished the individual elements and interactions that form regions. This will be very helpful in developing solid community and economic development plans."

The list of Strategic Findings on which future policies and plans can be based is available as part of the SES posting on the Economic Info & Research section of the Arizona Department of Commerce website at www.azcommerce.com. For additional information contact Lisa Danka, Director, Commerce and Economic Development Commission, (602) 771-1165.

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