

MINNESOTA GOVERNMENT FINANCE
OFFICERS ASSOCIATION
MnGFOA NEWSLETTER

December 2002

Excellence and Leadership in Government Finance

www.mngfoa.org

MESSAGE FROM THE PRESIDENT

By: Sharon Legg

This is the last time you will get to hear me ramble so I might as well do it up good! But before I forget, (I do regularly) I want to thank all of you that helped make this year a success. I hope you think it was a success as well. I feel we have continued the mission of MnGFOA, by educating, sharing knowledge, recognizing accomplishments and upholding high professional and ethical standards. I always am so impressed by the standards maintained by fellow finance officers. And, when I have asked for advice and assistance, I have been amazed at the effort to help me out. So thanks to all of you.

I am never quite sure what the public thinks of us government employees and our governments. What do they really want? Do they know? I don't get nearly the feedback from citizens that I would like. Did the last election say anything to us local government folks? Was it a clear message of expectations? Is it all about paying and taxes? Are we providing the best service we can for dollars paid?

Dan Salomone, Executive Director of the Minnesota Taxpayers Association, was the speaker at the last luncheon. These are questions their organization also tries to answer. The Association is a non-profit analytical agency, which looks at tax policies and tries to rank Minnesota with other states.

He talked somewhat of the looming State budget deficit of three billion dollars, which he hinted would most likely be worse with the next update on December 4. Given that the Governor-elect has no intention of raising taxes, solutions will require thinking out of the box, incentives for system reforms, privatization (even though savings don't come quickly) and how to do it cheaper. He reflected back to the 80's when accounting shifts, especially the sales tax collection acceleration, were used to solve that crisis and how there was a temporary sales tax increase that became permanent and there was a surcharge on income tax that was later repealed.

Dan felt the State has a responsibility to local government to put dollars where it wants to encourage spending, for state interests. The state should provide a base level of support at a reasonable tax rate.

That then becomes the question. What is the base level of support needed. I think this is and has been the question ever since I started as a finance director. Dan Salomone referred to the Ladd Study. How much money was spent on the Ladd Study, which tried to figure out what the base level of funding should be? What conclusions did it come to? Can it really be done? Clearly, determining the base level of funding has been the issue with schools. How are we ever going to agree on what is necessary? And, what is necessary for one is obviously not necessary for others..

My son at college now tells me about the number of advance placement classes other kids had compared to him (our school offered three). I didn't even realize what we didn't have. It seems to me that it comes down to, pay now or pay later. I remember at the time of the Ladd Study, the fact that one City had a city gardener was the talk of the town. It was considered to be so extravagant. Whether local government aid paid for this or not was never clear to me. What was clear to me was that cities were pitted against others. Everyone always thinks they do it best.

I will wager that many of us now have gardeners and flowers and citizens appreciate and expect that we do. Do we need the State to pay for community? Probably not. Is there a price for community? Some of us will never know what community is and what it means and the implications it has. Do we need the State to encourage economic vitality throughout the state? If it isn't visible to us, is it needed? That's probably

why we cities don't get a lot of grief at our truth in taxation meetings, the public can see the results. Streets get plowed, police come when called, park grass gets cut, etc. Our citizens use these services and don't mind paying for them. It is paying for things we don't see ourselves using that get to us. But the affects of how those things that we ourselves don't use, gets lost. It's so complicated.

For me, it all comes down to trust. Do I or don't I trust the people making the decisions? I don't know that we will ever be able to know what the amount really should be. I have tried making my own financial comparisons. I have worked for four cities now and audited many more. I know I felt very good about each of the cities I worked for and the employees that worked for them. Each did things really differently. When first starting a new job, I thought, "Why do they do it that way?" I was going to change it quick-like. But once I figured it out, I realized it was done that way for a reason. Not to say, some systems don't need to be improved. Of course they should.

Having that said, thank you for letting me lead your organization for the last year. I think this organization has a huge impact on shaping us, allowing us to continually do better by sharing and learning and trusting...and to be friends. I am excited for next year with Tom Kelly at the helm. He is going to be great.

DECEMBER MEETING NOTICE

Date: Wednesday, December 11, 2002.
Special Event: Joint meeting with AGA
Please bring an unwrapped toy for
Toys-for-Tots.
Location: Minneapolis Sheraton 4 Points.
Topic: Achieving Accountability
Speaker: Amy Klobuchar, Hennepin County Attorney
Time: 10:00 AM - Executive Committee Mtg.
11:00 AM - Registration
11:30 AM – Welcome and Program.
12:15 PM – Lunch & Business Meeting.
1:00 PM – Holiday Gathering.
Cost: \$15.00 Collected at the Door.

Reservation: Please leave your reservation with at the City of Eagan switchboard operator at 651-681-4600 or on our web site at www.mngfoa.org by **THURSDAY, DECEMBER 5, 2002.** (Vegetarian meal choice is available).

SPEAKER BIO AND TOPIC

County Attorney, Klobuchar is emphasizing accountability – making the County Attorney's Office more accountable to the public and the communities of Hennepin County, as well as making sure that people who break the law are held accountable for their actions and receive appropriate consequences. Ms. Klobuchar has introduced a number of new initiatives as County Attorney. Ms. Klobuchar has been diligent in her efforts to communicate the goals of the department and to quantify the outcomes on an ongoing basis.

The Hennepin County Attorney administers an office of 400 employees, including more than 160 lawyers, and serves as the chief prosecutor of all adult felony and juvenile crimes in Hennepin County. The County Attorney is also responsible for advising the County Board of Commissioners and departments of county government, as well as representing the county in civil lawsuits and bringing child support and child protection actions. Hennepin County includes Minneapolis and 42 other communities with a population of more than one million residents.

Prior to her election as County Attorney, Klobuchar was a partner with the Minneapolis law firm of Gray Plant Mooty. She was earlier a partner with Dorsey & Whitney in Minneapolis. Ms. Klobuchar has been a community leader serving in elected leadership positions on a number of community boards and organizations. She was a leading advocate for state legislation that now guarantees a minimum 48-hour hospital stay for new moms and their babies. She is a graduate, magna cum laude, of Yale University and the University of Chicago Law School, where she was associate editor of the Law Review. She grew up in suburban Hennepin County and now lives in Minneapolis with her husband, John, and their seven-year-old daughter, Abigail.

MEMBERSHIP RENEWALS

Membership applications forms will be sent out in December as a separate mailing so be sure you watch

for them. To be included in the 2003 membership directory, fill out the application form and mail with your payment by January 31, 2003 to Chris Miller, City of Roseville, 2660 Civic Center Drive, Roseville, MN 55113 or call him at 651-490-2210 if you do not receive an application. Please note that additional forms may be obtained from our website at www.mngfoa.org.

EXECUTIVE COMMITTEE UPDATE

The October 16th minutes of the Executive Board were approved at the November 20, 2002 meeting. A summary of the minutes is as follows:

- The Check Registers for August and September in the amounts of \$43,333.19 and \$19,919.00 respectively and the Treasurer's Report as of September 2002 were approved.
- The Executive Board received committee updates from the college Connection, and Education.
- The Board discussed a conference refund policy and newsletter policy regarding acceptance and publication of editorials. The newsletter policy was approved as follows: The Executive Board of MnGFOA encourages members to submit articles to be published in the newsletter and/or web site. Articles should be finance related and impartial in its context. Articles should avoid criticism of other members or organizations. Articles which could jeopardize MnGFOA's status as a nonprofit organization are not permitted. The decision to publish an article rests with the MnGFOA President Elect, who may request input from the MnGFOA Executive Committee.
- The Board awarded the City Internship Award to the City of Dilworth.
- The Board discusses 2002 conference evaluations and the updating of the MnGFOA policy manual.

At the November Board meeting the Executive Board had extensive discussion regarding the MnGFOA 2003 budget and fund balance. While a 2003 budget was approved, the Board is discussing what the appropriate fund balance of the organization should be and developing a fund balance policy. If you have some input into this please contact a member of the Executive Board as this will be discussed again at either the December or January executive meeting.

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SOCIAL COMMITTEE UPDATE

Remember, at the December luncheon, the Social Committee will sponsor the FIFTH ANNUAL Toys-4-Tots toy drive. Please bring unwrapped toys to the luncheon and they will see that the collection is distributed to Toys-4-Tots.

Social Committee will be sponsoring a Holiday Social Gathering after the luncheon. Everyone is encouraged to stay awhile and mingle while enjoying some hot apple cider and other treats.

2003 MGFOA DATES

Monthly Meeting Dates:	January 15	February 19	March 19
	April 16	June 18	July 16
	August 16	October 15	November 19
	December 17		

Conferences/Training:

2003 National GFOA Conference New York NY May 18 – 21

2003 Fall MnGFOA Conference Alexandria MN September 16 - 19

PROFESSIONAL FINANCE VIDEO

The MnGFOA Executive Board recently approved and directed the Education Connection Committee to develop and produce a short video regarding the finance professional in Minnesota. The purpose of the video is providing information to students and others about the advantages of entering the governmental finance profession and for informing community groups about local government finance.

To minimize the cost and to include relevant Minnesota material, the Education Connection Committee, would like MnGFOA members, to let them know if they have quality existing video which would provide reproducible clips. The general areas needed include public works projects, public safety activities, snow removal, human services, schools, and budget meetings with department staff, Council/Boards, and citizen interaction.

Any cities, counties, schools or other agencies, which think they might have appropriate video, should contact Ed Burrell at 651-641-1114, (keburrell@usfamily.net) for more details.

SMALL COMMUNITIES PERFORMANCE MEASUREMENT PROGRAM

Mr. Mike Lawson of ICMA's Center for Performance Measurement (CPM) presented information at the MnGFOA fall conference on it current comparative performance measurement program, which is open to all general-purpose local governments. He stated that some smaller communities have asked for a somewhat streamlined program and that he was willing to test such a program in Minnesota. Participation criteria for jurisdictions are as follows:

- Must have a population of less than 25,000;
- Designate a single point-of-contact between the chief administrator's office or budget/finance department and CPM staff;
- Provide desktop WWW and Internet e-mail access to primary coordinator;
- Join in a block of at least 15 jurisdictions from a common state to share program cost;
- Cost based on 15 jurisdictions for the first year would be \$2,200 with an annual participation fee of \$2,000 after the first year.

If you are interested in participating or for more information on this possible opportunity, please e-mail Tom Kelly no later than December 13th 2002 at tom.kelly@ci.white-bear-township.mn.us.

NUMBER LOVING VOLUNTEERS NEEDED

Account Ability Minnesota (a non-profit organization) is looking for volunteers! If you are a number lover and enjoy filling out your own tax forms, you may enjoy making the process easier for others. Account Ability Minnesota is looking for individuals interested in helping provide free tax preparation to low-income taxpayers in the metro area. Training provided. Free CPEs available for completed training. For more information call Kurt Zilley, 651-287-0187, e-mail kzilley@accountabilitymn.org or visit www.accountabilitymn.org.

STUDENT CONFERENCE

On October 24, 2002 the MnGFOA participated in the 5th Annual Accounting and Auditing Student Conference at the Minneapolis Convention Center. Representing MnGFOA were Sharon Legg, Kathy Marzolf, Chris Miller, Ed Burrell, Ron Hedberg and Tom Kelly who were on hand to talk to students about careers in governmental accounting and finance as well as distribute information regarding scholarship opportunities. Resumes from students were also collected. These are available to MnGFOA members and will be available on the MnGFOA's website in the coming weeks. Please take them into consideration when evaluating any employment opportunities you may have.

**INTRODUCING THE 2003 EXECUTIVE BOARD
AND COMMITTEE CHAIRS**

The 2003 MnGFOA Executive Board is as follows:

<u>Position</u>	<u>Name and Organization</u>	<u>Phone</u>
President	Tom Kelly White Bear Township	651-429-5827
President-Elect	Lori Webster City of Hastings	651-480-2352
Secretary	Tom Pepper City of Eagan	651-681-4617
Treasurer	Chris Miller City of Roseville	651-490-2210
Past President	Sharon Legg City of Coon Rapids	763-767-6433
At-Large	Cathy Shuman City of Monticello	763-271-3204
At-Large	Rosemary Masloski Ehlers & Associates	651-697-8530
State Rep.	Ron Hedberg City of Cottage Grove	651-458-2832

2003 COMMITTEE CHAIRS

Committee Chairs for 2003 are as follows:

<u>Committee</u>	<u>Chair</u>	<u>Phone #</u>
Conference	Michelle Pietrick	612-673-5122
Education	Julie Vogel	952-448-2851
Program	Joe Huss	952-563-4930
Social	Jim Eichten	952-545-0424
Selection	Lori Johnson	763-441-7420

If you would like to help or have any suggestion for the Executive Board or any of these committees for 2003 please contact them. They would love to hear from you.

BELETED CONGRATULATIONS

Congratulations to Julie Vogel of the City of Chaska on the birth of Sophia Lyn Vogel who came into this world at 9lbs 14oz, 23 inches long on August 1, 2002.

MESSAGE FROM THE EDITOR

Happy Holidays to all of you. Hope to see you at the holiday gathering after the December luncheon. I would like to express my thanks to Sharon Legg for her leadership this past year. She will be a tough act to follow. I would like to thank everyone who submitted articles or ideas for the newsletter this past year.

Beginning with the January newsletter information that is to be put in the newsletter of interest to the group or if you know of retirements, job changes promotions, and certifications received or what ever else you are willing to share with the group please send to Lori Webster. If it is to get into the next newsletter, have it to Lori by the 23rd of December.

Contact: Lori Webster
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101 East Fourth Street
Hastings, MN 55033

E-Mail: lwebster@ci.hasting.mn.us
Fax: 651-480-2352
Phone: 651-437-7082