



MINNESOTA GOVERNMENT FINANCE OFFICERS ASSOCIATION

MnGFOA NEWSLETTER

FEBRUARY 2011

Excellence and Leadership in Government Finance

www.mngfoa.org

Message from the President

By: Ron Hedberg

It has been a busy few weeks with the Legislature back in session. A number of bills have been introduced which impact many of us and the next few months will sure be busy.

The January meeting had an interesting and very timely presentation by Tim Fahey from Northland Securities on investing strategies. If you are in charge of the investment portfolio and you are like me, you recently opened your monthly statements from your brokers and noticed a significant change from just the month before.

My statements from November showed overall a market value that was higher than the cost of our portfolio, the December statements showed a market value that was lower than our cost – a dramatic swing. It may seem odd to say this, but in a way this avoids what I was afraid was going to be happening in the coming year. I've been thinking that the overall market rates would be rising next year resulting in reductions to the market values on our existing portfolio next year.

What I had worried about throughout the later part of 2010 was that with the rates continuing to be low, our portfolio would have a positive market value adjustment at the end of the year only to have it reverse in 2011 causing a dramatic swing in value. In this peculiar turn of events in December, the market movement ended up smoothing out these impacts, which in my opinion is a good thing.

At the January meeting Tim Fahey offered a few ideas for strategies to follow in the current environment, an environment of rising rates, I know many of the brokers I deal with do not see rates rising or at least not rising in the near term but the possibilities are there and we need to consider this when investing. One of the strategies he mentioned was to make sure your portfolio has a good share of investments with "low optionality".

Low optionality investments would be investments with either no call features or a cushion bond with a steep call that will be called under almost all circumstances. Of course, I'm not trying to be your investment advisor (and can't be if I wanted) you'll want to work with your trusted investment advisors in developing your own strategies to position yourself where you feel you should be. The other piece of advice Tim provided was to be sure when considering an investment to have the conversation with your broker about this optionality. One term to ask about is the "convexity", I think of convexity, simply as a measure of sensitivity to interest rate changes. For example, the duration of one with low convexity would not change when rates change and the duration of one with high convexity would extend when rates rise or accelerate when rates fall.

Look inside for information on the Lori Webster Advanced Government Finance Institute Scholarship. Watch for future announcements, for information on the **Robert Ehlers Scholarship** to attend the National GFOA this coming May in San Antonio in addition to a new scholarship, the **Springsted Scholarship**, to attend the annual MnGFOA Conference sponsored by Springsted. Additional information will be provided on the web site and in future newsletters on these exciting opportunities.

The early bird registration has passed for the Annual GFOA Conference May 22 – 25, 2011 in San Antonio BUT there is still plenty of time to register. Hopefully you can join your peers in San Antonio; the Annual GFOA Conference has many valuable sessions specific to our industry that are not available anywhere else. If you plan on attending, take the time to reserve lodging soon before it is too late and you end up outside of the conference hotels and at potentially higher rate. The "home base" for the MnGFOA contingent will be the Hilton which is located across the street from the Convention Center.

MONTHLY MEETING



DATE: Wednesday, February 16, 2011
LOCATION: Ramada Plaza Minneapolis
TOPIC: **Funding for Public Works Projects – Traditional / Innovative / Alternative Funding Sources**
SPEAKERS: WSB & Associates
TIME: 11:30 am – Speaker
12:00 pm – Luncheon
LUNCH: TBD
COST: \$15.00

Reservations: It is preferred that you register on the MnGFOA website (www.mngfoa.org) – there is a link on the home page to register for the luncheon event. You can pay for the luncheon online also!! You could also send an email to Dan Jordet at djordet@ci.brooklyn-center.mn.us or leave him a voice mail at (763) 569-3345 NO LATER THAN Friday, February 11, 2011. Please remember to pre-register for the luncheon to provide that enough meals are ordered and tables set up for the meeting. Thank you for your cooperation.

Speaker Bios:

WSB Associates is a multi-disciplined engineering and design consulting firm headquartered in Minneapolis. Founded in 1995, WSB has grown to over 150 staff members and has an office in St. Cloud. They currently serve over 50 communities in varying capacities – on a project-by-project basis or as their City Engineer. They offer expertise in many areas, including municipal planning and engineering, transportation, structural engineering, environmental, water resources, water and wastewater engineering, geographic information systems, property acquisition, survey and construction administration.

Jay Kennedy, PE: Jay is Vice President and Municipal Group Manager at WSB. He has a Bachelor's Degree in Civil Engineering from the University of Minnesota, and has over 20 years of experience in the municipal engineering area. His expertise includes the planning, funding, designing and construction, of municipal public works projects, including street reconstruction, utility projects and park improvements ranging in construction cost from

\$200,000 to over \$4M. He has served, or is currently serving, as the City Engineer for Hugo, Mahtomedi and North St. Paul. Last, he is well-versed in many forms of municipal project funding, including 429 assessments, utility funds, state aid, MnDOT cooperative agreements and Federal Aid.

Jupe Hale, PE: Jupe is a Principal and Senior Project Manager in the Transportation Group at WSB. He has over 15 years of experience in the implementation of complex public works projects, from planning and funding through design and construction. He has a Bachelor's Degree in Applied Math from the University of Arizona and a Master's Degree in Civil Engineering from Stanford University. Jupe is WSB's complex/urban redevelopment project specialist, and is certified as a roundabout design expert by the Minnesota DOT. His typical projects include substantial funding from State or Federal sources, which are combined with local agency matching funds as well as development funding through many different financing vehicles.

Membership Renewals

You should be receiving your MnGFOA renewal notice in the mail anytime now. You can also complete the renewal process online on the MnGFOA website, although, if you renew on-line with a credit card PLEASE still mail (or email / fax) in your renewal form. Renewals and payments are due by February 28, 2011.



Renewal forms should be mailed to: Dan Jordet, City of Brooklyn Center, 6301 Shingle Creek Parkway, Brooklyn Center, MN 55430 or via email at djordet@ci.brooklyn-center.mn.us. Please note that you can help save on postage and printing by requesting your newsletter by email. Mark your membership renewal form in the appropriate spot.



Student Resumes Available

As part of the Annual Accounting & Auditing Student Conference we collect resumes from students across the State. These are students who are looking for internship opportunities to permanent positions. These resumes are available on the MnGFOA website for members to utilize. Please keep these students in mind for any future opportunities that may arise within your organization.

COMMITTEE

ORNER

Executive Committee Update

The Executive Committee met at the Ramada Plaza on Wednesday, January 19th and took the following actions:

- Approved check register and Treasurer's report for December.
- Finalized application and process for Springsted Scholarship.
- Adopted the 2011 MnGFOA Budget (total expenditures of \$141,200).
- Discussed the 2011 National GFOA Conference in San Antonio and identified the "home base" as the Hilton.
- Discussed purchasing a laptop and associated software by the Association for the Treasurer's use each year.

February Curling Event Still Space Available



Take some time off to join us for the 3rd Annual Curling Event at the St. Paul Curling Club on Friday, February 18, 2011 with room for up to 40 people. This is a great opportunity to try this sport and when you see it in the Winter Olympics you will have a better understanding of the sport and maybe even just get hooked and want to join a team... or even try out for the 2014 Olympics!

Curling instruction will begin promptly at 12:15 pm and then we are free to enjoy the sport of curling from 1 – 3 pm. We must leave the St. Paul Curling Club by 3:30 pm. The cost of the event will be \$35.00 and is sponsored by the MnGFOA and hosted by the Social Committee.

Important Notes: Please bring and carry in clean shoes to wear on the ice (recommendation: tennis shoes). Dress for 40 degrees—including gloves or mittens.

You must register and submit payment by February 2, 2011. Please check the MnGFOA website for more information and to register. You can contact Tonya Kusmirek by email at tlkusmirek@hotmail.com. The St. Paul Curling Club is located at 470 Selby Avenue, St. Paul, MN 55102. For directions, go to the "About" tab on their website at www.stpaulcurlingclub.org.

MnGFOA Scholarship Announcements

Lori A. Webster Advanced Government Finance Institute Scholarship – Applications are now being accepted for the Lori A. Webster Advanced Government Finance Institute (AGFI) Scholarship through March 31, 2011. Every other year GFOA partners with the University of Wisconsin-Madison to hold a week-long program that explores emerging trends, professional and personal development tools, and selected issues in government finance. This year's AGFI will take place on July 24-29, 2011, and will be attended by 50 GFOA members through an application process. More information can be found on the GFOA website at www.gfoa.org. The MnGFOA provides up to 2 scholarships for members of our organization that serve as public finance officers.

John Lilja Undergraduate Scholarship – Applications are also being accepted for the John Lilja Undergraduate Scholarship through April 15, 2011. This scholarship provides opportunities to undergraduate students of accounting or government finance attending any college or university located in Minnesota. The amount of each scholarship is \$1,000, and the MnGFOA awards at least one a year, up to a maximum of four.

Scholarship application forms are available on the MnGFOA website or you can contact Secretary Cory Kampf for information. Completed applications should be emailed to Cory Kampf at cory.kampf@brooklynpark.org or hard copies mailed to Cory Kampf, City of Brooklyn Park, 5200 – 85th Avenue North, Brooklyn Park, MN 55443.

CPFO Exam – March 4, 2011

The City of Bloomington, MN will serve as a host site for the CPFO exam on Friday, March 4, 2011. It will be a morning session from 8:30 a.m. to 12:00 p.m. More information can be found at www.gfoa.org or contact Cindy Rollins at 952-563-4702 or crollins@ci.bloomington.mn.us. The exam site will be at the City of Bloomington City Hall, 2nd Floor – Haeg Conference Room, 1800 West Old Shakopee Road, Bloomington, MN 55431.

CAFR Review

March 9th and 16th, 2011

The MnGFOA Education Committee for the second year in a row will be offering two different opportunities to attend the Annual CAFR Review session. The first session will be March 9th in the *Brainerd area (exact site TBD)* with a second session (repeat of the first session) to be held March 16th in conjunction with the monthly meeting in the *South Metro Area (exact site TBD)*. Once again HLB Tautges Redpath, Ltd will be conducting the Annual CAFR Review Session.

In order to create the most informative session, they are asking cities, towns and counties to submit copies of their 2009 CAFR along with the CAFR comments received from the 2009 Annual Audited Finance Statements to be used as examples for the sessions. Please mail hard copies to: Peggy Moeller, HLB Tautges Redpath Ltd., 4810 White Bear Parkway, White Bear Lake, MN 55110.

National GFOA On-line Training Opportunities

Train without the travel with GFOA's Internet Offerings – ALL courses take place from 1:00 to 3:00 pm (CT) and will earn you 2 CPE credits with your participation. The registration fee for each seminar is \$85.00 for Active/Associate GFOA Members and \$160 for Nonmembers. Upcoming training events include the following:

- Evaluating the Effectiveness of Performance Management (Performance Management Framework Topic #5) – February 2, 2011
- Managing the Salary and Wage Budgeting Process – February 3, 2011
- Best Practices in Budgeting and Fiscal Policy – February 16, 2011

Visit www.gfoa.org for additional information and to register for these and any other training opportunities offered by GFOA.

2011 Important Dates

MONTHLY MEETINGS / EVENTS (event times and locations could change so please check the website or the calendar in the monthly newsletters for updates):

- February 16, 2011 – Monthly Luncheon, Ramada Plaza Minneapolis
- February 18, 2011 – Curling Event, St. Paul Curling Club
- March 9, 2011 – CAFR Review Session, Brainerd Area (location TBD)
- March 16, 2011 – CAFR Review Session and Monthly Luncheon, South Metro Area (location TBD)
- April 20, 2011 – Monthly Luncheon, Ramada Plaza Minneapolis
- May 18, 2011 – Monthly Luncheon, Ramada Plaza Minneapolis
- May 22 – 25, 2011 – National GFOA Conference, San Antonio, TX
- June 15, 2011 – Monthly Luncheon, Ramada Plaza Minneapolis
- June 2011 – Training: In-Depth Training – Excel Modeling (location and time TBD)
- July 20, 2011 – Monthly Luncheon, Ramada Plaza Minneapolis
- August 17, 2011 – Monthly Luncheon (location TBD)
- August 2011 – Annual Boat Trip, St. Croix River
- September 21 – 23, 2010 – Annual MnGFOA Conference, Alexandria, MN
- October 19, 2011 – Monthly Luncheon, Radisson Hotel Roseville
- October 2011 – Governmental Accounting Sessions: Intermediate and Advanced (dates and locations TBD)
- November 16, 2011 – Extended Monthly Luncheon Topic: How To Communicate Effectively To The Public, Council and Staff, Ramada Plaza Minneapolis
- November 16, 2011 – Annual Food Drive in conjunction with November Luncheon
- December 14, 2011 – Monthly Luncheon, Ramada Plaza Minneapolis
- December 14, 2011 – Annual Toys for Tots Collection in conjunction with December Luncheon

2011 OFFICERS AND BOARD MEMBERS

<p>President Ron Hedberg City of Apple Valley rhedberg@ci.apple-valley.mn.us 651.458.2540</p>	<p>Past President Cathy Shuman City of Monticello cathy.shuman@ci.monticello.mn.us 763.271.3204</p>
<p>President Elect Jessie Hart White Bear Township jessie.hart@ci.white-bear-township.mn.us 651.747.2760</p>	<p>At-Large Peggy Moeller HLB Tautges Redpath Ltd. pmoeller@hlbtr.com 651.407.5832</p>
<p>Secretary Cory Kampf City of Brooklyn Park cory.kampf@brooklynpark.org 763.493.8150</p>	<p>At-Large Sue Kotchevar City of Eden Prairie skotchevar@edenprairie.org 952.949.8386</p>
<p>Treasurer Dan Jordet City of Brooklyn Center djordet@co.brooklyn-center.mn.us 763.569.3345</p>	<p>State Representative Darin Nelson City of Fridley NelsonD@ci.fridley.mn.us 763.572.3520</p>

2011 COMMITTEE CHAIRS

Conference Committee	Katie Reed City of Chanhassen	kreed@ci.chanhassen.mn.us 952.227.1144
Education Committee	Tom Kelly City of Monticello	tom.kelly@ci.monticello.mn.us 763.271.3211
Program Committee	Jennifer Vucinovich US Bank	jennifer.vucinovich@usbank.com 651.466.8750
Social Committee	Sharon Kutzke City of Ham Lake	skutzke@ci.ham-lake.mn.us 763.235.1668
Technology Committee	Joe Rueb City of Maplewood	joe.rueb@ci.maplewood.mn.us 651.249.2903
Selection Committee	Greg Sticha City of Chanhassen	gsticha@ci.chanhassen.mn.us 952.227.1100

If you wish to know more about or help out on any of these committees, please contact the person(s) listed above.

Jessie Hart
White Bear Township
1281 Hammond Road
White Bear Township, MN 55110



Message from the Editor

By: Jessie Hart

It is always interesting to hear from our members regarding items which may be of interest to others. Retirements, job changes, promotions, certifications received, just to name a few. Don't be bashful; we will present the information appropriately. Please drop me an email, note or fax or even a phone call will work! The cutoff date for newsletter submissions is the 20th of each month, and the newsletter will be emailed or mailed about the first day of the upcoming month. Thanks.

Contact information: jessie.hart@ci.white-bear-township.mn.uis

Phone: 651-747-2760

Facsimile: 651-426-2258

Changed Jobs or Contact Information?

Have you changed jobs or has your contact information changed recently? If so we would encourage you to update this information directly on the MnGFOA website in the Members section under "Update Member Information." If you do not remember your login information (user name and password) there is a link on the home page to make a request for that information to be emailed directly to you. The website database is the official member database and should be current to ensure you receive timely information from the organization; please keep your information current.