

January 2009

PRESIDENT

Mark Brown
City of Bartlett
(901) 385-1060

FIRST VICE-PRESIDENT

Daisy Madison
City of Chattanooga
(423) 757-5232

SECOND VICE-PRESIDENT

Lisa Nolen
Rutherford County
(615) 898-7795

SECRETARY

Marylou Piper
City of Hendersonville
(615) 590-4613

TREASURER

Carson Swinford
City of Brentwood
(615) 371-0060

PAST PRESIDENT

Mary-Margaret Collier
State of Tennessee
(615) 401-7872

GFOA STATE REP

John Troyer
Knox County
(865) 215-3576

TGFOA News

is a quarterly publication of the Tennessee GFOA. Correspondence should be sent to:

NEWSLETTER EDITOR

Attn: Randy L. Sanders
P.O. Box 3123
Brentwood, TN 37024
(615) 371-9732
RandyLSanders@comcast.net

A Message From the President

I cannot tell you how many times at this year's fall conference I heard someone remark that the current economic environment is as bad as they have ever seen. Tough times like these are when we as finance professionals have to "step up". We need to be a calm, creative asset to our elected officials and citizens as we navigate through this economic storm. We also need to be able to reach out to each other as fellow TGFOA professionals to share ideas and talk about the issues we face. I look forward to hearing from you about ideas you may have and how TGFOA can better serve its members.

Our annual conference in October was a great success with a record number of participants, exhibitors and sponsors. Mary-Margaret Collier, the Executive Board and all of our volunteers did a great job. Sincere thanks to each of our exhibitors and sponsors for their support, as without them, the conference would not be possible.

Of course, we all wish outgoing annual conference coordinator Molly Culbreath the very best and again thank her for the dedicated years of service to TGFOA.

As we look ahead to 2009 I want to remind you of the dates of our spring training on March 11-12 in Murfreesboro and our annual conference October 7-9 in Franklin. I encourage you to attend each of these outstanding training opportunities.

Finally, I want to ask you to become involved with TGFOA at a greater level by applying for our annual scholarship to the GFOA Advanced Government Finance Institute, volunteering for a leadership position, helping to recruit new members or taking advantage of our new opportunity to sponsor a qualifying member to attend the 2009 GFOA annual conference in Seattle Washington held June 28th to July 1st.

I am humbled to serve as your President in 2009 and wish all a successful new year.

Mark Brown

Inside this issue...

President's Message	1
State News	2-5
National News.	6-7
Membership Information/Training Schedule	back page

2008 CONFERENCE SPONSORS	2008 CONFERENCE EXHIBITORS	
Arbitrage Compliance Specialists Bank of New York Trust Company First Tennessee Bank Nationwide Retirement Solutions Public Financial Management Regions Bank Reliant Investment Management Stephens Inc. SunTrust USI Consulting Group	Bank of America Bond Logistix LLC Bryan Pendleton Swats & McAllister Certified Payments Community Capital LLC Computer Resources, Inc. Deutsche Bank Duncan-Williams, Inc Health Cost Solutions ICMA Retirement Corporation Local Govt Data Processing Corp	Official Payments Smart Bill Springbrook Software Standard & Poor's, Inc Total Billings Inc. Tyler Technologies - Incode US Bank Vitalchek Wachovia Wells Fargo Corporate Trust Services Wiley Bros - Aintree Capital LLC



Mary-Margaret Collier (State of Tennessee) receives a plaque in recognition for her service as 2008 TGFOA President and to the Executive Committee from TGFOA President-Elect Mark Brown (City of Bartlett).



State officials reviewed TN's bond rating presentation. From left to right are Dave Goetz (Commissioner of Finance), Dale Sims (State Treasurer), Riley Darnell (Secretary of State) and John Morgan (Comptroller).



Molly Culbreath, TGFOA annual conference coordinator from 2001-08, receives a plaque in recognition for her service to the organization. Current executive committee members and past presidents presented the recognition.



From left to right are Carson Swinford (City of Brentwood), Dave Goetz (State of Tennessee) and Louis Wright (Hamilton County) who visit during a break in between conference sessions.

A MESSAGE FROM PAST PRESIDENT – MARY-MARGARET COLLIER

I am honored to have served as TGFOA President for 2008 - thank you for this opportunity. I want to thank the TGFOA Executive Committee for their numerous contributions and hard work along with Molly Culbreath and her staff at MTSU who do an outstanding job with organizing our State conference each and every year.

As my term as President has come to a close, I want to emphasize what a successful year we have shared. We expanded the Spring Conference offerings and our Fall Conference had the highest attendance to date!

I ask that you provide your support to Mark Brown, your incoming TGFOA President for 2009. Mark is the Finance Director for the City of Bartlett, TN. He, along with the Executive Committee officers you have just elected at the annual conference, will continue to lead the TGFOA organization in a professional manner.

I encourage you to "get involved". TGFOA, in partnership with GFOA, offers many educational and training opportunities such as the national annual GFOA conference; the state annual TGFOA conference; the Advanced Government Finance Institute sponsored by GFOA with a scholarship provided by TGFOA; GFOA monthly seminars; the annual GAAP Update by satellite teleconference and more. Support your organization throughout the year and visit our website (www.tngfoa.org) and GFOA's website (www.gfoa.org) at anytime for educational opportunity announcements.

Finally, if you can add to this organization, what are you waiting for? Please offer yourself to a leadership role or tell a friend, a colleague, another associate and others you feel might benefit as a member of TGFOA.

OUR SINCERE THANKS TO MOLLY CULBREATH

Molly Culbreath, TGFOA spring training and annual conference coordinator from 2001-2008, is accepting a request at Middle Tennessee State University to lead the university's dual enrollment program. Molly has faithfully served our organization taking ownership of our training and conference planning and many associated duties. She has not only done an outstanding job, she has been one of the most pleasant people to work with and a joy to see each time the Executive Committee met to conduct the organization's business. Thank you Molly and best wishes in all of your future endeavors.



MARK YOUR CALENDAR FOR THESE FUTURE MEETINGS

Wednesday
March 11, 2009
TGFOA Spring Training
Murfreesboro, TN

Sunday - Wednesday
June 28 - July 1, 2009
GFOA 103rd Annual Conference
Seattle, WA

Wednesday - Friday
October 7-9, 2009
TGFOA Annual Conference
Franklin, TN

TGFOA NEWSLETTER SUBMISSIONS

Do you have an article to contribute to the newsletter? Please send any information to TGFOA, P.O. Box 3123, Brentwood, TN 37024 or send an e-mail to RandyLSanders@comcast.net. Please note the deadlines below:

Spring Issue
March 1

Summer Issue
June 1

Fall Issue
September 1

Winter Issue
December 1

2009 ADVANCED GOVERNMENT FINANCE INSTITUTE (AGFI)

GFOA's 2009 Advanced Government Finance Institute will be held July 26-31 at the University of Wisconsin in Madison, WI. The Institute is a select program designed especially for senior-level finance professionals in state/provincial and or local governments. It provides a stimulating academic environment and allows participants to focus on long-term issues in public finance and management without the distractions of the daily demands of their jobs. Lectures, seminars, small group sessions and informal networking provide the context for this intensive on-campus program. Approximately 30 continuing professional education credits can be earned by completing the Institute program. Attendance is limited to 50 individuals. You can download an application from GFOA's web site at www.gfoa.org.

2009 TGFOA SCHOLARSHIP TO AGFI

TGFOA offers a scholarship to the 2009 Advanced Government Finance Institute's one week program of study. TGFOA will pay 100% of the tuition fee (\$1,850) which covers enrollment, lodging and meals at Institute facilities; course materials and sponsored activities from Sunday evening until noon Friday. In addition, TGFOA will reimburse up to \$500 in documented travel expenses.

The applicant must be an active TGFOA member and current employee/official of a state or local government, a special district, authority, school district, or regional/metropolitan council; the applicant may hold an elected or appointed position. Applicants should have a minimum of four (4) years experience in a government finance job.

Complete application forms must be received by March 31, 2009. To insure the recipient is enrolled in a timely fashion, the successful candidate must acknowledge acceptance of the scholarship by April 15, 2009.

To request a 2009 TGFOA scholarship application for GFOA's Advanced Government Finance Institute, please contact: Mr. John Troyer, Finance Director, Knox County, TN, Attn: TGFOA (AGFI Scholarship Application), City-County Building, 400 Main Street, Room 630, Knoxville, TN 37902-2405, John.Troyer@KnoxCounty.org (865) 215-3576.

ADVANCED GOVERNMENT FINANCE INSTITUTE (AGFI) (Attendees from Tennessee)

Year Attended	Name	Employing Organization	Year Attended	Name	Employing Organization
2008	Ron Queen *	State of TN - Div of Local Finance	1997	Dianne McKay	State of TN - Div of State Audit
2007	Russ Truell *	City of Franklin	1996	Judy Kennedy	City of Franklin
2006	Mark Brown *	City of Bartlett	1995	Elaine Cawthon	Rutherford County
2006	Deborah Davis *	Hamilton County	1995	Barbara White	State of TN - Div of State Audit
2005	David Skinner *	Knox County	1994	Amanda Templeton-Fowler	Knox County
2004	Dana Lamson *	Blount County	1994	M. Lynn Satterfield	City of Knoxville
2003	Carson Swinford *	City of Brentwood	1993	Tom Schumpert	Knox County
2002	Lisa Nolen *	Rutherford County	1993	James York	City of Knoxville
2001	Michael Lowe	City of Franklin	1992	Randy Sanders	City of Brentwood
2001	John Troyer *	Knox County	1988	Robert B. Boydston	Metro Nashville-Davidson Co
2000	Jane Beville *	Town of Collierville	1988	Jerry Burgess	State of TN - Div of County Audit
1999	Bill Brinton, Jr. *	State of TN - Dept of Finance	1987	Arthur A. Hayes	State of TN - Div of State Audit
1998	Patricia Williams *	City of Tullahoma	1987	Randall E. Matlock	Rutherford County
1997	Jay Johnson	City of Franklin	1986	Richard T. Dulaney	City of Knoxville

* Tennessee GFOA Scholarship Winner

2009 TGFOA EXECUTIVE COMMITTEE

Mark Brown – President

Finance Director - City of Bartlett, TN

Daisy Madison – First Vice President

Administrator and CFO - City of Chattanooga

Lisa Nolen – Second Vice President

Finance Director - Rutherford County

Carson Swinford - Treasurer

Finance Director - City of Brentwood

Sandra Allen – Treasurer / Internal Auditor

Manager – Memphis Light, Gas and Water

Marylou Piper – Secretary

Finance Director - City of Hendersonville

Mary Margaret Collier – Immediate Past President

Director of Bond Finance - State of Tennessee

John Troyer – GFOA State Representative

CFO / Comptroller - Knox County

Robin Roberts – CTAS Representative

Administrator of Field Services for UT-CTAS

Dick Phebus – MTAS Representative

Finance and Accounting Consultant for UT-MTAS

SCHOLARSHIP OPPORTUNITY TO THE 2009 GFOA ANNUAL CONFERENCE

The TGFOA Executive Committee recently voted to underwrite the costs of a member to attend the GFOA Annual Conference scheduled for Sunday June 28 through July 1, 2009 in Seattle, Washington. This commitment is borne from a desire to increase the State's participation in this premier educational opportunity for professionals that have not previously attended the conference. The value of this opportunity is approximately \$2,350 with conference registration and airfare to be paid in advance with expenses for hotel accommodations, transportation and food reimbursed after the conference. Eligibility requirements are that the applicant will have been a member of TGFOA for two years and employed in a responsible finance position within a city or county finance/budget department or state agency.

Applicants must submit a letter indicating why this educational opportunity is important to their professional development and be accompanied by a letter of recommendation by their immediate supervisor. This information must be submitted February 13, 2009 to Mary-Margaret Collier, Attn: TGFOA (GFOA Annual Conference Scholarship), James K. Polk Building, Suite 1600, Nashville, TN 37243-0273. Please contact her at (615) 747-5370 with any questions.

2009 TGFOA SPRING TRAINING SEMINAR

Mark your calendars for TGFOA's Spring Training Seminar scheduled for March 11, 2009 and held at Middle Tennessee State University in Murfreesboro, TN. Topics and speakers are still being finalized but a spring training brochure will be distributed to the membership once finalized.

OPEB REQUIREMENTS

For those governments desiring to establish an OPEB Trust before June 30, 2009, the time to begin working on these documents is now! Sample documents are available on the State Funding Board's website at: <http://www.comptroller.state.tn.us/bf/bfsfb.htm>. Please click the blue box titled "OPEB Sample Documents".

Trust documents that have received approval are: Brentwood, TN, Chattanooga, TN, Germantown, TN, the Jackson, TN Energy Authority, the Knoxville Utility Board & Memphis LG&W.

The trust documents must be submitted to the State Funding Board for approval. Please send these documents to Mary-Margaret Collier, Assistant Secretary at mary.margaret.collier@state.tn.us. The deadline for the next submission is April 30, 2009 for consideration at the May 2009 meeting of the State Funding Board (the specific meeting date is to be announced). Please contact Mary-Margaret Collier at (615) 747-5370 with any questions.

2009 AGFI Applications Being Accepted

GFOA members are encouraged to apply for the GFOA's 2009 Advanced Government Finance Institute, to be held in Madison, Wisconsin, July 26-31. The week-long leadership training program allows 50 selected GFOA members the opportunity to immerse themselves in a unique program on the University of Wisconsin's campus. Seminars addressing organizational leadership, strategic planning, media relations, time management, team leadership and organizational leadership are part of the program. There is also ample opportunity to meet and learn from your colleagues through group projects, extensive classroom interaction, and social activities throughout the week.

Thirty CPE credits are available and the \$1,850.00 fee includes lodging, meals, tuition, materials and sponsored activities. Attendees are chosen through an application process.

Additional information and an application are available on the GFOA's web site. ■

Report Says City Fiscal Conditions Took a Turn for the Worse

The National League of Cities' recent 2008 City Fiscal Conditions Survey found that the decline in property tax revenues (3.6 percent from the prior year, in inflation-adjusted terms) is having an impact on the fiscal health of local governments. Unlike the previous economic downturn in 2001, when property tax revenues buffered the effects of declining income and sales tax receipts, the weak housing market is likely to affect city budgets until 2010.

Moreover, the report found that other sources of revenue are headed downward as well, with 2008 sales

tax receipts declining by 4.2 percent and income tax revenues expected to decline by 3.3 percent in inflation-adjusted dollars, compared to 2007.

As a result, 64 percent of city finance officers surveyed expect cities to have a harder time meeting fiscal needs in 2008, and 79 percent forecast even bigger problems ahead in 2009.

On the spending side, increases of 3.0 percent in 2007 were met with flat or declining revenues, according to the report. Taken together, city finance officers project a budget gap of 2.8 percent in 2008, with revenues declining by 4.3 percent and spending declining by 1.5 percent in inflation-adjusted dollars over 2007.

The areas affecting city budgets most heavily include prices and inflation (including energy prices), which were identified by 98 percent of respondents. Increases in infrastructure (85 percent) and public safety spending (83 percent), and employee-related costs for wages (95 percent), health care (86 percent), and pensions (79 percent) were also cited as budget-busters.

To meet budget shortfalls, half of the cities responding (49 percent) have increased fees, while 28 percent have increased the number or types of fees, and 23 percent have increased the level of impact and development fees.

The situation varies depending on local tax authority. Finance officers in cities that rely heavily on the property taxes were most likely to say their cities are worse off (75 percent), compared to cities that use a mix of sales and property taxes (60 percent), or cities that use a mix that includes a local income tax (52 percent).

The pessimistic assessment is registered regardless of city size. 69 percent of the nation's largest cities reported a lessening ability to meet needs, as did 68 percent of cities with populations

100,000-299,999, 65 percent of cities 50,000-99,999, and 61 percent of cities with populations less than 50,000. ■

Treasury Management Newsletter

Trying to sort out all the market turmoil? Seeking prudent investment strategies appropriate for local governments? Looking for a resource that will save you time, summarize key information, and help you cut through the clutter? If so, you will want to subscribe to the GFOA's Treasury Management electronic newsletter. Topics recently covered in the newsletter include:

- Deciphering recent market volatility
- Investment tips for dealing with the current market turmoil
- Developing your credit card RFP
- Checklist to "tune-up" your revenue collection program
- Lessons learned in procuring a cashing system
- Preventing cash fraud schemes
- PCI compliance—preventing credit card fraud

Treasury Management is published monthly as a time-saving resource for local government finance officers and treasurers. Annual subscription rates are \$55 for active GFOA members, \$70 for associate GFOA members, and \$85 for nonmembers. To subscribe, order through the GFOA's e-store, or call 312-977-9700. ■

IRS Extends Effective Date of Normal Retirement Age Regs

The IRS issued Notice 2008-98 on October 10, 2008 to extend the date when governmental plans must comply with final regulations concerning distributions from a pension plan upon attainment of normal retirement age. The extension will change the effective date to plan years beginning on or after January 1, 2011 giving governmental plans 2 additional years to comply with the normal retirement age regulations.

The Public Pension Coalition, including the GFOA, sent a letter to the IRS in April 2008 urging the IRS to extend the effective date of the regulations for governmental plans so the agency would have time to consider comments offered by governmental plans. These comments discussed the difficulty of applying the new regulation in the public sector, where there is no precedent for requiring plans to establish a normal retirement age, and many plans base receipt of retirement benefits on years of service. While the IRS has extended the effective date of the regulations for two years, the agency has not yet addressed the issues set forth in the joint comments submitted by governmental plans, which request that the agency "refrain from creating standardized definitions for early or normal retirement age with regard to governmental plans, and instead defer to the applicable state or local laws, regulations and policies governing the plan." ■

GFOA Publishes Accounting for Capital Assets: A Guide for State and Local Governments

Written by Stephen J. Gauthier, Director, GFOA Technical Services Center, and author of Governmental Accounting, Auditing, and Financial Reporting, known as the "Blue Book"

Capital assets typically constitute the largest single item on a state or local government's statement of net assets, not to mention the many similar items that a typical government does not capitalize, but still needs to control. The Government Finance Officers Association's (GFOA) much anticipated new book release, *Accounting for Capital Assets: A Guide for State and Local Governments*, offers clear and straightforward guidance to public-sector accounting professionals who must confront the practical challenges of accounting for capital assets and similar items on a day-to-day basis.

Accounting for Capital Assets: A Guide for State and Local Governments should prove an invaluable resource. The book includes 10 chapters that cover the gamut of capital asset-related issues:

- Capital Assets: Definition, Accounting Function, Types and Basic Information Requirements
- Basic Accounting
- Major Asset Classes
- Capitalizable Costs
- Valuation of Capital Assets for Financial Reporting Purposes
- Impairments
- Depreciation
- Financial Statement Presentation and Disclosure
- System Design and Policies
- Inventorying

Each chapter is immediately followed by a handy "chapter in brief" summary and a series of multiple-choice questions (with answers and explanations provided in an appendix). The book also provides an extensive set of sample journal entries illustrating a wide range of situations, from transactions with

outside parties to internal activity within the primary government. Readers also can take advantage of a detailed index, which makes access to exactly the right information both quick and easy, as well as of a full glossary. ■

National Performance Commission Meets

At its recent meeting in Lexington, KY, the National Performance Management Advisory Commission agreed on the major components of a national principles-based framework for public-sector performance measurement and management.

The commission, made up of representatives of 11 leading public interest associations, agreed on five key components that will comprise the proposed framework:

- Rationale - the importance of performance management to public-sector jurisdictions.
- Principles - overriding statements that apply to all performance management systems.
- Drivers - groups that provide motivation and leadership to implement performance management systems.
- Practices - strategies, tactics and tools that stem from the principles and support performance management.
- Results - the significant benefits stakeholders can expect to realize through the application of performance management principles and practices.

A first draft of the framework is expected in May 2009. ■

Name:

Title:

Organization/Company:

Mailing Address:

City/State/Zip:

Telephone Number:

Fax Number:

E-Mail Address:

2009 Dues - New Member:
 Direct Member - \$25.00
 Associate Member - \$35.00

Make check payable to:
 TGFOA

Return check and application to:
 Carson Swinford, Finance Director
 City of Brentwood, TN
 P.O. Box 788
 Brentwood, TN 37024-0788
 (615) 371-0060

GFOA	
Upcoming Training Opportunities	
Newport Beach, California	
Preparing a CAFR	January 12
Economic Development for Finance Officers	January 12-13
Advanced Investing Public Funds	January 12-13
Advanced Governmental Accounting	January 13-15
Advanced Tools for Finance Officers	January 14-15
Atlanta, Georgia	
GASB Pronouncements: A Comprehensive Survey	February 2
Treasury Management and Banking Relations	February 2-3
Advanced Performance Measurement/Management	February 2-3
Preparing a CAFR	February 3
Revenue Forecasting and Analysis	February 4-5
Intermediate Governmental Accounting	February 4-6
Reno, Nevada	
Accounting for Capital Assets	March 9
Enterprise Funds Accounting	March 9
Costing Government Services	March 9
Public Employee Retirement Administration	March 9-10
Alternative Service Delivery	March 10
GASB Pronouncements: A Comprehensive Survey	March 10
Planning and Sale of Municipal Bonds	March 11-12
Intermediate Governmental Accounting	March 11-13
Group Internet-Based Training	
Performance Measurement & Management	January 27
Intermediate Internal Controls	February 11
Accounting for Capital Assets	March 25
GFOA 103rd Annual Conference Seattle, Washington / June 28 - July 1, 2009 To register for these seminars, please visit www.gfoa.org	

T.G.F.O.A.
Tennessee Government Finance Officers Association
P.O. Box 3123
Brentwood, TN 37024-3123

**If addressee is no longer at agency
 please route to finance officer**