Looking Forward to Challenges Ahead

As 2013 comes to a close, I would like to take this opportunity to thank all of you who worked so hard to make 2013 another successful year for WFOA. The board of directors, committee members, sponsors, speakers, and exhibitors all played a major role in our success, so please help me thank them for a job well done. In addition, a special thank you to Marilou Moore, Past President, for her leadership, enthusiasm, endless energy, and cheerful disposition.

In looking forward to 2014, I envision continued opportunities for enhancements to all aspects of our operation: awards, communication, education, internship program, legislative, professional standards, and scholarships. As stated during the business meeting, below are the four goals established for 2014.

**2014 GOALS**

1. 2014 conference registration opens on April 15, 2014.
2. Utilize social media.
3. Greater Collaboration with national associations pertaining to (a) federal legislation (b) training opportunities/webinars
4. New revenue streams earmarked for our internship program.

The board of directors and I are up for the challenge and have started working to achieve these goals. Additionally, during the business meeting, I challenged all of us to collectively donate at least $500 to the internship program by the end of the conference. With only 24 hours to accomplish this, you not only met that goal but greatly surpassed it. Thank you for your generous donations! Here is the breakdown:

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash Donations</td>
<td>$963.57</td>
</tr>
<tr>
<td>Golfers</td>
<td>$405.00</td>
</tr>
<tr>
<td>Sponsors</td>
<td>$200.00</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$1,568.57</strong></td>
</tr>
</tbody>
</table>

During the April 2013 board meeting, the board made a commitment to allocate $18,000 to the internship program from our operating funds during 2014. The aforementioned donations are in addition to the board’s committed amount, bringing the total available funds to $19,568, with hopes of hitting $25,000. The plan is to develop new revenue streams dedicated to the internship program. Please send your ideas regarding new revenue streams to me for the board’s consideration.

Also, I welcome your suggestions on how to best fulfill the WFOA mission. Better yet, I encourage you to join one of the WFOA committees. Your talents, along with the others who have already volunteered, will ensure success in 2014 and years to come. Getting involved is extremely rewarding and a great steppingstone towards being nominated for a board position. We are always looking for people who have an eye towards the future, coupled with enormous talent, enthusiasm, and a desire to make things better. If that describes you, and if you are interested in getting involved, contact one of the board members to get started. The board contact information is located on the WFOA website at [http://www.wfoa.org/page.asp_Q_navigationid_E_2](http://www.wfoa.org/page.asp_Q_navigationid_E_2)

For those who like to plan ahead, remember to save the date for the 2014 conference which will be held at the Yakima convention center September 16 - 19, 2014. Make your hotel reservations today and/or sign up for the golf tournament to reserve your spot. Information for both are located on the
Getting to Know Your WFOA Board

Editor’s note: The WFOA Board would like to get to know you better so WFOA can better meet your needs. We want you to feel like you know us also. The last issue of the newsletter had some hints and clues about our officers and board members. We hope to have a couple of these little spotlights each issue. For this issue, we asked Jack, our new co-chair of the Education Committee, and Dale, our 2015 Conference Chair, to present brief bios for the newsletter. Here’s what they sent in.

Jack Broyles – Education Committee Co-Chair

I graduated from Central Washington University (Lynnwood campus) with a Bachelor of Science Degree in Accounting in June 2001 and passed the C.P.A. exam in October of 2002. I spent the first two-and-a-half years working for the State Auditor’s Office. I then spent close to six years in Public Accounting practice at two different firms that specialized in auditing and tax work for non-profit organizations, and A-133 audits of quasi-governmental organizations. The work was extremely challenging (especially during tax season!), but very rewarding in that I was able to get a knowledge of financial statement preparation (form having prepared some 20+ each year) that would not have been attainable anywhere else. I began to miss public service, however, and the variety of work that came with it. So I began a job search that ended with me being hired as the Finance Director of the Northshore Utility District, where I spent just under three years. A new opportunity became available at the Woodinville Water District and I began my current position as Finance Manager in August of 2012.

I am the dad of Ryan and Heather. Ryan is 15, attends Bothell High School, and is turning into quite the talented saxophone player. He has aspirations to attend CUW (Wow!) and major in Music. Heather, 10, is the love of my life. She attends elementary school in Arlington. In my spare time, I enjoy reading, music, and learning about many of the fine wines that the Woodinville area has to offer. I appreciate the trust and faith that the Board of Directors and the General Membership of WFOA have placed in me. WFOA is an amazing organization. I know of no place else where a C.P.A. can obtain a full 8-hour credit class for under $200. Yet WFOA offers these classes regularly, presented by the some of the highest caliber instructors I have ever had the benefit of receiving instruction from, for far less than that. WFOA is committed to providing high quality, low-cost education in a period of “do more with less”. No other organization I have been affiliated with has such a laser sharp focus on training its membership with information that is relevant, high quality, and low cost. I am honored to be part of this team.

Dale Hough – 2015 Conference Chair

Dale Hough is the Finance Manager for the Pierce County Library System. Dale, a graduate of The Evergreen State College, has been involved with WFOA since 2007. His career, in addition to the Library System, has included serving as Finance Director for Community Youth Services for 23 years; CYS is a large Olympia based south-west Washington youth and family service NPO. For a number of years, he also was the Director of Administrative Services at Starling Systems, a small Olympia-based national software development firm that focused on public health initiatives including WIC case management.

Dale is excited to join the WFOA Board as the WFOA 2015 Tacoma Conference chair. Dale, a wannabe avid golfer, lives in Olympia, has two wonderful daughters Ali, just starting in college, and Gabi a junior in high school. His hobbies include photography, golf, and softball.

President’s Message...

(Continued from page 1)

WFOA website, look for the links on the home page.

Want to get to know more about your president? Well, on a personal note, I am happily married to my best friend, Pat. We met during our college years where she literally waltzed into my life in a social dance class. Our early friendship grew into a loving, lifelong relationship. Pat is my inspiration. We have two wonderful children and our family has grown with the addition of one very smart son-in-law, one fabulous daughter-in-law, and one cute grandchild, with another one on its way!

In closing, I thank you for the opportunity to be your president. I look forward to the many accomplishments we will achieve together in the year ahead. My door is always open, so feel free to call me at (360) 902-9090 or e-mail me at dan.mason@tre.wa.gov.
Changes to Future Audit Reports on Financial Statements

There are two changes that will affect the look of future audit reports on financial statements. Both changes are required by standards used in the United States for audits of governmental entities. Auditors are required to follow these standards when auditing and issuing reports on these entities' financial statements.

1. For government entities that prepare financial statements on a cash or modified accrual basis of accounting, which is allowed by Washington State laws and the accounting manuals prescribed by this Office and the Office of Superintendent of Public Instruction, our audit reports will continue to have our standard paragraph issuing an opinion on those financial statements.

In addition to this opinion, standards published by the American Institute of Certified Public Accountants (AICPA) require us to formally acknowledge when government entities do not prepare their financial statements in accordance with Generally Accepted Accounting Principles (GAAP).

As a result, beginning with audits of fiscal year 2013, our reports will include a second opinion. This opinion will be on the presentation of the statements in accordance with GAAP requirements. If your statements are not prepared using GAAP, we will issue an adverse opinion stating that fact, unless we can determine the presentation is not a material difference from GAAP reporting. We are still analyzing the departure from GAAP for the modified accrual basis of accounting and will be providing additional information. The language used in the audit is dictated by the AICPA and should not be interpreted to mean the amounts presented in your financial statements are incorrect or misstated for the basis of accounting you use. You are not required to change the basis of accounting you use.

2. Each section of the audit report is required to have clarifying headings. These headings identify the purpose of each section, with the goal of making the report easier to understand.

We have reached out to bond-rating agencies and they were not concerned that these reporting changes would affect bond ratings. In addition, in coming weeks, we will be reaching out to key media outlets to ensure that these changes to our reports will be interpreted appropriately. Please feel free to contact the manager of your local audit team if you have any questions regarding the report format changes.

From the State Auditor’s Office

Auditor Troy Kelley Makes Key Executive Appointments

Since becoming Washington State Auditor, Troy Kelley has worked to transform the organization to a lean executive group with audit divisions that are relatively seamless. Auditor Kelley took two important steps toward fulfilling that goal recently, with the appointment of Chuck Pfeil as Director of Performance and State Audit, and Kelly Collins as Director of Local Audit.

In making these two key appointments, Auditor Kelley has set the stage for increased interaction between the various disciplines across his agency.

“By organizing in this way, we will have all of our state programs and local programs each under one leader,” Auditor Kelley said. “Chuck’s years of successful leadership in State and Local Audit and Kelly’s experience in every aspect of local government audit offer a great asset to the agency.” Pfeil, who had served as Director of State and Local Audit, will also continue to have responsibility for the Statewide Technology Audit Team and the Whistleblower Program.

Collins moves to Director of Local Government Audit after 21 years at the State Auditor’s Office, the past six years of which she served as Deputy Director of State and Local Audit. She started her career with the SAO as a local government auditor and moved through the organization to become an audit manager and program manager, before becoming deputy director.

From the State Auditor’s Office

Legislative/Professional Standards Update

By Brad Posenjak, Chair

Federal Legislation. Knowing how to stay-involved with federal legislative issues can seem out of reach here on the opposite side of the country from where the “action” occurs. Thankfully, GFOA works closely with Congress in Washington D.C., and provides regular updates to its Federal Liaison Center website. The two primary federal topics that WFOA has been following during 2013 are retaining the federal tax exemption on municipal bond interest and the Marketplace Fairness Act (online sales tax collection). The GFOA Federal Liaison Center provides resources for both of these topics including current updates and ways you can get involved to help. You can access these resources by going to www.gfoa.org and selecting the “Federal Government Relations” link. If any of these topics are close to your heart, speak up!

Professional Standards. If you attended the GASB Update class in Tulalip, then you probably heard the collective “gasp” (or groan) that occurred when Lisa Parker mentioned that GASB has begun a research project to reexamine the financial reporting model, including GASB Statement 34. The GASB wants to revisit the effectiveness of the major financial reporting changes that rocked the governmental accounting profession 10 to 12 years ago. They are currently in the exploratory research phase and are expecting to conduct user surveys in 2014. The GASB has published a fact sheet on this research project which is available at http://www.gfoa.org/imageuploads/Media-3131.pdf. They also have the Financial Reporting Model project timeline at www.gasb.org by following the links to Projects, and Pre-Agenda Research. You can count on hearing more about this over the course of the next couple years!

One of the goals listed by our new President is to utilize social media. To that end, WFOA now has a Facebook page. Check it out, “Like” it, and post relevant items. It is a work in progress, so expect to see some refinements over time. Eventually we may try a Twitter account, too.

Other ideas? Please let me know. It’s true, WFOA has gone social. Check us out on Facebook. www.facebook.com/WFOA.org
Successful Conference Caps Year of Numerous Accomplishments

The WFOA’s 58th annual conference “iPerformance” Sept. 17-20 was a huge success with record registrants, attendance and participation. The attendees gave two thumbs up to the overall result of the conference classes and evening events. We can’t begin to thank the various committees and individuals for all their effort and time in making this event successful.

We would also like to send a special thanks to Sheri Amundson’s local conference committee, Ade Ariwoola’s education committee and conference speakers, Marci Klobucher and MRSC for their new registration system, sponsors and exhibitors. Stephen Gauthier, Wednesday’s opening keynote speaker, integrated a technical subject matter, Pension Accounting, with easy, simple comparison and humor. We hope that Bob Eichem, Tony Ventrella, Scott O. Marcus, Brian Willett, Michael Warner, Mike Bailey, John Mitchell and our conference speakers enhanced your educational experience! The evening occasions that were held at the Orca Ballroom with entertainment by Wednesday’s hypnotist “Mr. Feel Good” Michael Cain, Thursday’s photo booth and the 70’s band “Hit Explosion” were spectacular, and nights to remember. Lastly, we would like to thank all the attendees for their interest and participation in making it another successful WFOA conference!

During the Thursday Annual Business Meeting, WFOA awarded Sandy Landgon and Sandra Vong with President’s Awards for their invaluable contributions in the WFOA’s internship program and administrative assistance in educational opportunities, respectively, to our membership. General Electric has an ad that says “Brilliant ideas transform the way we work”. I think that this implies that “we can truly achieve incredible performance”. We surely did! On behalf of the board, please allow me to share with you these amazing 2012-2013 accomplishments:

- First conference broadcast onto four, and at times, six huge screens
- Enhanced conference brochure
- Record attendance in Pre-Conference, surpassing last year’s record
- Record registrants totaling 698 with an early closeout. This number excludes unregistered speakers, walk-ins and guests during the conference; the walk-ins will not be added to our tracking system.
- Increased non-conference webinar classes in 2013
- Electronic handouts for most conference sessions
- Record GFOA representation in the annual conference
- Record representations from various jurisdictions in the Local Conference Committee
- Record number in our first-time attendees
- We had distinguished mayors and a major business leader address the theme, “Working Together and Partnership with our Communities” in coordination with the conference theme “iPerformance”
- Enhanced registration system and better detailed reporting option
- Social media link and integration with the conference
- Real-time browser of conference status with the related receipt information
- Proactive legislative participation on municipal bond tax exemption. WFOA commented on GASB’s “scope of authority” proposal that, for the time being, has been placed on hold.
- First slideshow highlighting and thanking our primary sponsors during the breakfasts (in the future, we will expand that list)
- First sponsor’s reception/event
- Successful partnership with Evans School of Public Affairs at UW for the first launch of a week-long Public Finance Leadership Academy with

All these remarkable achievements were not possible without the help of many special performers. Again, thank you for all these successes and making WFOA looked so good and credible.

by Marilou Moore, Past President

Soliciting Nominations for the Local Government Advisory Committee (LGAC)

WFOA needs to recommend three people for the local government advisory committee, therefore, I am soliciting nominations for the WFOA board consideration. During the WFOA January 2014 board meeting, the board will select three people to recommend to the State Auditor for consideration. Each position will be for a three-year term starting in 2014.

The purpose of the Local Government Advisory Committee, excerpt from the LGAC bylaws:
The Local Government Advisory Committee is a group of representatives from local governments around Washington. The committee takes a lead role in setting statewide financial policies that affect local governments.

The committee makes recommendations to the Legislature and responds when lawmakers change policies that affect the Budgeting, Accounting and Reporting Systems (BARS). The committee reviews state and federal legislation and proposed changes from the Governmental Accounting Standards Board (GASB). GASB is the primary authority that determines Generally Accepted Accounting Principles (GAAP) for state and local governments. The committee also advises the State Auditor’s Office on issues relating to the prescription of a uniform financial reporting system for cities and counties.

Additional information about the LGAC is located on the Auditor’s website, http://www.sao.wa.gov/EN/ClientSupport/FinancialReporting/LGS/LGAC/Pages/default.aspx. Nominations should be submitted to Dan Mason, dan.mason@tre.wa.gov by November 15, 2013. If you have questions, feel free to contact Christy Raske at raskec@sao.wa.gov or (360) 725-5593.

By Dan Mason, Office of the State Treasurer
Financial leaders in today’s local governments do two things very well. On the one hand, they’re great technicians. They build spreadsheets, implement accounting rules, run complex IT systems, and handle lots of other technical challenges. But they’re also excellent communicators who can motivate people, resolve conflicts, and meaningfully engage their political environment. These “soft” skills are just as important, if not more important, to becoming a leader in our field.

The Public Financial Leadership Academy is a new program launched this past summer designed to provide finance-focused training in “soft” skills. The academy is a week-long, intensive program for 30-40 emerging financial leaders from cities, counties, ports, utilities, and other local governments. It’s delivered through a partnership among the Evans School of Public Affairs at the University of Washington, Cascade Executive Programs, and Piper Jaffrey SNW. Many of the core instructors and key contributors are WFOA members.

The inaugural Academy was a big success. According to the course evaluation, 100% of participants agreed or strongly agreed that they expect to apply the concepts/insights gained through the course on a frequent basis. One participant said, “I will give it an A+++ for the Cascade Executive Programs, the staff, instructors, and the course overall.”

Are you interested in attending or recommending a colleague? Learn more about applying for the Public Financial Leadership Academy, which is scheduled for August 3–8, 2014, online at http://evans.uw.edu/executive-education/cascade/public-financial-leadership-academy.

Revenue Returns Unclaimed Property to a Record Number of Claimants (again!)

From the State Department of Revenue
You or a relative, friend or coworker may be richer than you think. Just visit www.claimyourcash.org to find out. The Department of Revenue is continuing its efforts to reunite residents and organizations with their lost property after record-breaking results for Fiscal Year 2013 that ended June 30. The department returned a record $66 million to a record 157,000 claimants in Fiscal Year 2013, breaking the $54 million it refunded to a then-record 120,000 claimants in Fiscal Year 2012. The agency’s online searchable database contains more than 3 million names of individuals and organizations, and almost $1 billion in unclaimed assets. Examples of unclaimed property include unclaimed paychecks, utility deposits, bank accounts, uncashed refunds, life insurance proceeds, and contents from safe deposit boxes.
Thank You !!!
By Dan Mason
Office of the State Treasurer

Our sponsors continue to play a major role in WFOA's success and we all need to thank them for their generous support.
Arbitrage Compliance Specialists, Inc.
Bias Software
Government Perspectives LLC
Jorgensen Golf Inc.
Talbot Korvola & Warwick, LLP
Tyler Technologies
Vining Sparks
Again, a big thank you to our sponsors!
Crossword puzzle
Dan Speigle

Across
3. A platinum sponsor - sponsored Thursday evening's gala
4. Where the 2013 conference was held
7. From the hypnotist show - a new first name
8. WFOA has gone social. Find us on____
10. Tony Ventrella's presentation "____ in the mirror"
14. Friday keynote speaker Scott Marcus is not a CPA but he is a____
15. This band was hot!
18. Our wellness walk was a____ walk
19. Hypnotist Dr.____
21. Our new president
22. Where the 2014 Conference will be held

Down
1. Our GFOA keynote speaker spoke about____
2. Our new president asked for, and got(!) donations for this WFOA program
4. From the hypnotist show - the missing number
5. GFOA President Timothy____ was one of our guests
6. Tony Ventrella's current employer
9. A winner of the President's Award (last name)
11. Tony Ventrella's third key, "People need____"
12. A platinum sponsor - sponsored Wednesday's reception
13. The mayor of this city welcomed us on Thursday
16. A winner of the President's Award (last name)
17. About this many hundred people attended this year's conference
20. On Wednesday, officials from 3 cities and this company spoke to us

Solve the puzzle and win a prize. Three lucky winners, selected at random from those who submit the correct answer, will each win a $5 gift card. First, complete the crossword puzzle, then use the clues below to find the three 5-letter words (these words don’t necessarily have anything to do with WFOA). Email your answer, within a week of the newsletter publication to: dan.speigle@sos.wa.gov

Each clue below has a number from the crossword and F – for first letter in the answer, or L – for last letter in the answer. Fill in the letters and spell the words (it does not make a meaningful sentence, so don’t worry!) So if word number 25 was WFOA, 25F would be "W" and 25L would be "A".

13F 12L 21L 5L 22F 4F 2F 20L 7F 18L 3F 9F 2F 19F 10L
Congratulations to Mickie Cooper, Senior Accounting Clerk for Lake Stevens Sewer District. Mickie got the solution to the crossword puzzle: Money, Tiger, Klife (I had intended it to be Knife, the clue should have been 9L, not 9F). Mickie was sent a $5 Starbucks gift card. We’ll try this again next newsletter. So be looking for it in February for your chance to win.