



**JULY 2017 BOARD MEETING**  
**Sun Mountain Lodge, Winthrop, WA**  
**July 19 - 21, 2017**

President Adé called the meeting to order at 8:00 am, July 19, 2017.

Board Members Present: Adé Ariwoola, Craig Warner, Jana Brown, Brad Posenjak, Dale Hough, Dan Legard, Mickie Cooper, Stacie Tellers, Dan Speigle, Kelly Collins, Megan Dietz, Marcie Klobucher, Carmen Hayter, Angela Golden, Jack Broyles and Sadie Armijo.

Absent (excused): Carrie Lewellen

**PRESIDENT**

**Adé Ariwoola**

Adé expressed his thanks to Jana and the Board for the work done during the April WFOA board meeting while he was attending the Alaska GFOA annual conference.

Adé asked current executive board members be available and take care of our out of state and GFOA representatives at our upcoming conference. The following assignments were made:

<b>WFOA Board Member</b>	<b>Out of State/Special Guest</b>
Adé	GFOA
Jana	Alaska
Craig	California
Brad	Oregon
Dale	WPTA

Adé asked that the board consider nominations for WFOA Honorary Lifetime membership to include those deserving members past and present not simply past presidents. Bylaws were reviewed and it was confirmed that this was an allowable action. Jana asked us to remember that the Presidential Award was another option to formally recognize stellar participation and recognition of deserving members. It was noted that to be considered for an Honorary Lifetime membership, a letter requesting said honor must be presented to the board. All conversation regarding this was tabled until later in the meeting.

Adé discussed the various changes with GFOA leadership.

**PRESIDENT ELECT**

**Jana Brown**

Jana discussed a newly implemented process that helped with the nomination selection this year. The committee used an application/nomination form to gather information about the prospective nominee. The [form](#) is located on the WFOA website.

Jana presented the slate of nominees for 2018 as follows:

- Secretary – Jack Broyles, Finance Manager, Woodinville Water District
- Education Co-Chair (Non-Conference) – Beth Wright, Deputy Finance Director, North Bend
- 2019 Conference Chair – Forrest Smith, Senior Financial Manager, Yakima County
- Professional Development and Sustainability Committee Chair – Sadie Armijo, Assistance Director of Local Audit, SAO

**Motion by Carmen to accept the slate of officers as presented. Seconded by Mickie Cooper. Motion passed unanimously**

Adé thought that membership interest in becoming active on the board is getting better. There seemed to be more interest in the open positions this year. He asked that years of service be considered as a factor in nominations.

Jana described and displayed the nomination form to the board. She will review it to make it more clear for Education committee membership renewal/continuation.

Jana told us about the many regional finance officers meeting she and others have attended since the last meeting. The groups included the Eastern Washington Finance Officers Association (EWFOA) in Spokane and the Snohomish Co Clerks. Members assisting Jana included Sadie, Angela and Jack. Sadie stated that she had garnered at least one new member from each of the various groups. This is a good marketing and outreach activity.

Jana has the Puget Sound Finance Officers Association and all of the south west Washington groups still on the schedule for the balance of 2017.

Jana talked about the annual business meeting scheduled for September 14<sup>th</sup>. She need an internship and scholarship report by August 15<sup>th</sup>. For Guidebook she needs photos and bio's of each of the out of state guests no later than August 15<sup>th</sup>. Dan L. will review what he has and get everything to Jana post haste!

Jana reviewed the board meetings dates and locations scheduled for 2018.

- January 24-26, 2018 – Alderbrook Resort, Union WA
- April 25 – 27, 2018 – Walla Walla (Whitman Hotel)
- July 25 – 27, 2018 – Semiahmoo Resort (Blaine, WA)

## **VICE PRESIDENT**

**Craig Warner**

Craig reviewed our arrangements for the board meeting.

The WFOA audit was completed in April for 2016. Craig reported that there would be a management letter as a result of the audit, concerned with segregation of duties in regards to cash management, especially concerning the review of the monthly bank statements. Practice has been adjusted to address this deficiency by adding a step in the bank reconciliation and review process. Both the Vice President and the Secretary have access to statements from our bank accounts. It is their responsibility to review the statements and compare the activity to the QuickBooks bank reconciliation. The Secretary should document the review of the statements/reconciliation monthly and notify the Treasurer when the

review is complete, including any issues or concerns. No opinion was rendered on our financial statements. The complete audit will be available on the WFOA website.

The board had some spirited conversation regarding the difference between reserved and restricted funds. The board re-affirmed the policy that the association strives to maintain a fund balance equal to the estimated expenses attributable to one conference plus two months operating expense.

Adé recommended that we pay close attention to our financials in the upcoming months and years as we move into using a professional events planning service. He reminded us that the impact of this added expense may warrant increasing our conference fees at some point.

**Motion by Brad to accept the audit report. Seconded by Jack. Motion passed unanimously**

Craig has been working on scheduling and location for our 2019 Board meetings. So far the schedule includes:

- January 2019 Suncadia (Cle Elum) Board Retreat
- April 2019 Suquamish Clearwater Resort
- July 2019 TBD (a family friendly venue)

**TREASURER**

**Brad Posenjak**

Brad reported that he had reconciled our cash accounts. We have increased activity due to the upcoming conference. He provided copies of and reviewed the most recent balance sheet. Current balance is \$692,451.20.

Brad reviewed the Budget to Actuals report. Revenue is at 67% of budget and expense is 19% of budget. Dan L. stated that there are many conference expenses not yet posted.

The Profit and Loss statement with comparison to last year shows a slight increase in revenue and a slight decrease in expense. Net income YTD is \$276,725.

**Motion by Craig to approve the Financial reports as presented. Carmen seconded. Motion passed unanimously.**

**SECRETARY**

**Dale Hough**

The minutes from the April Board Meeting were presented. Adé asked for clarification on a few points and suggested one typographical correction.

**Motion by Carmen to approve the minutes as corrected. Jana seconded. Motion passed unanimously.**

**PAST PRESIDENT**

**Carmen Hayter**

Carmen announced that the Past President's Luncheon at the Salish Lodge and Spa in Snoqualmie, WA on July 14, 2017 was well attended.

Carmen's shared some words of wisdom and thoughts as her term on the board comes to an end. She thinks that WFOA is continuing to move in a positive direction. She challenged each of us to continue to

work hard and bring in new people into the association and onto the board. She said that it has been a great honor to serve.

Carmen and the Conference Management subcommittee of Craig, Jana and Adé have been busy. The RFP for conference and association management services went out. WFOA received four responses. Only one responded in the way we had requested. After a thorough review process by the subcommittee, they recommended that Conference Solutions (CS) be the apparent winner and that we move into the negotiation phase of awarding a potential contract. It was noted that MRSC will continue to provide the WFOA administrative support. Carmen requested that the Board closely review the CS response and contact her with any further questions. CS will provide (if finally awarded the contract) only conference/event planning services. Jana and the committee are still checking references. Adé stated that CS would provide monthly and quarterly financial and status reports of their WFOA activities. CS will be attending the 2017 conference. WFOA will cover travel, registration, food and lodging. Carmen asked that the Board allow for a legal review of the eventual contract documents. Carmen additionally asked for permission to sign the agreement once the background, legal and other reviews were completed and satisfactory to her and the subcommittee. Adé asked for a motion.

**Motion by Brad to authorize the President to sign a contract with Conference Solutions after the selection committee negotiates the contract, performs reference checks and have a legal review performed. Dan S. seconded. Motion passed unanimously.**

**Motion by Carmen to authorize the conference management subcommittee to hire legal services to review the conference management contract, not to exceed \$3,000. Craig seconded. Motion passed unanimously.**

## **MRSC**

**Marcie Klobucher**

Marcie reminded us that our existing MRSC contract is for the remainder of the year and that going forward they would be looking to change it to a two-year contract, changing the scope to fit in and support WFOA and the conference management agreement.

Current work for the 2017 conference is going well.

## **MEMBER COMMUNICATION/SCHOLARSHIP**

**Dan Speigle**

Newsletter Articles are due August 14, 2017.

The Scholarship report was presented. There were 12 requests totaling \$6,802. Approved and committed to ten scholarships including two for the GFOA conference and eight the WFOA 2017 conference. The scholarship budget of \$12,250 is 51% expended.

Dan reported that no requests had been received for GFOA Awards assistance yet. He also mentioned that the Tap and Go class registrations instituted in the 2015 conference has proven to be a great method for providing and documenting conference attendance.

Dan still has creating a LinkedIn account on his WFOA task list.

He reminded the Secretary that an announcement for the annual business meeting needs to be sent 30 days in advance of the meeting.

## **STATE AUDITOR REPORT**

**Kelly Collins**

Kelly shared a letter from State Auditor McCarthy to the US GAO regarding revisions to the Government Auditing Standards (GAGAS) aka the Yellow Book. Of main concern is the proposed requirements related to identifying and reporting waste in financial audits and attestations. The letter and Auditor's comments are gaining traction nationally.

Kelly shared the latest Audit Connection newsletter. The newsletter is available online <https://auditconnectionwa.org/>. Within the newsletter are articles discussing SAO outreach, the letter to GASB regarding simplifying reporting, how positive pay can help prevent check fraud and others.

Adé posed the question about meeting with the State Auditor as a Board function during the conference. Kelly and the Board were in favor of it and would like to meet with all State leaders who are in attendance. Adé will coordinate this with appropriate state agency representatives.

## **2016 CONFERENCE/SPONSORSHIP**

**Angela Golden**

Angela presented her sponsorship report. To date there are 14 committed sponsors totaling \$47,250. Angela will be reaching out to many of last year's sponsors who have not yet committed (but will 😊).

## **2017 CONFERENCE**

**Dan Legard**

Dan reported that we are at 540 registered attendees. The keynote speakers are all arranged. Venues and all other details are coming together including the Hanford trip and the golf tourney. Dan will be coordinating the Out of State guests and Board mentor details. It is going to be a great conference!

## **NON-CONFERENCE TRAINING**

**Jack Broyles**

Jack proposed that WFOA consider becoming certified through NASBA. Jack felt that being a part of a certifying organization would add more credibility to our educational program. It would provide a "stamp of legitimacy". The cost is \$3,130 annually. When asked if any of our classes had been challenged no one on the board reported any accreditation issues. The Board decided to not pursue this level of certification at this time and thanked Jack for his research and diligence.

The WFOA non-conference program is going very well this year. Revenue to date is \$87,285. We have provided training to at least 637 individuals. Our GASB 68 webinar garnered 193 registered viewers. Jack is considering using a GFOA representative for an upcoming budget class.

Kelly received a request from EWFOA to provide a four hour BARS training. She was wondering if EWFOA should be working with WFOA as SAO has an agreement directing WFOA to coordinate all BARS courses. It seemed that because it was only a four-hour class, it would be more of an overview or round table presentation. Jana suggested that EWFOA, WFOA Non-Conference and the SAO have a

conversation offline. We were reminded that there are good BARS on-line webinars available on our website.

## **CONFERENCE EDUCATION**

**Mickie Cooper**

Mickie has added the Board Member roundtable to the conference agenda. It is scheduled for Thursday Sept 14 at 1:40. We will use the power point developed by Sadie. Current panelists include Jana, carmen, Sadie Jack and Stacie. All Board members are invited to participate at the class.

Deadline for handouts in 08/15/17.

## **2018 CONFERENCE**

**Carrie Lewellen**

Jana reported that plans are moving along. Carrie was absent from the meeting.

The theme for the conference is "In Balance". The challenge is lodging. The group (Jana and Carrie) are working on contracts. The Vancouver Local Conference Committee will be meeting with the Education Committee on-site in Vancouver in October.

## **LEGISLATIVE & PROFESSIONAL STANDARDS**

**Stacie Tellers**

Highlights of Stacie's report include the following:

Local Government Advisory Committee –

- Reviewed SAO response letter to GASB regarding financial reporting model improvements.
- Reviewed and discussed five GASB statements which are effective in 2017 include
- GASB 74 Pension Plans outside of GASB 68; GASB 74 OPEB plans; GASB 80 Blending requirements, GASB 81 Irrevocable split-interest agreements; GASB 82 Pension issues and the 2016-1 Implementation guide.

Also reviewed were the many upcoming statements in issues in future years.

Stacie reviewed some information concerning Pension and OPEB. DRS is reviewing the PEFI and may provide individual entity calculation.

Stacie highlighted the new look SAO Online BARS webpage updates, and online Street reporting. There were input issues to the Street reports. SAO and DOT working on fixes.

State Legislature update – The Operating budget passed on June 30, and included the K-12 "McCleary fix"; happy to see MRSC and LEOFF 2 fully funded.

Other items of note from the Legislature include

- the passage of SB 5975 family and Medical Leave to be funded from employee/r deductions/contributions. Affects employers of more than 50 employees and is effective 1/1/2020.

- New minimum wage schedule \$11 in 2017, \$11.50 in 2018, \$12 in 2019 and 13.50 in 2020. Follows inflation rate starting in 2021.
- Paid sick leave starts 1/1/18, SL accrues at 1 hr. per 40 hours worked, can use it after 90 days, includes a carry-over year to year provision.
- Business license and tax simplification signed into law 05/05/17.
- Capital Budget not approved – most likely will remain in limbo until 2018 session.

Federal update – ACA is still law.

Finally, Seattle City Council approved a city income tax for individuals earning > \$250k and joint filers > \$500k. It remains to be seen if it is legal and enforceable.

## **PROFESSIONAL DEVELOPMENT AND SUSTAINABILITY**

**Sadie Armijo**

Sadie has created a working subcommittee to support the various functions of the group.

PDASC has presented at South Puget Sound Community College in Olympia and at UW Bothell. They are making in-roads to the accounting programs. Adé is investigating whether UW would be interested in providing the Certified Governmental Finance Professional sessions at the Bothell Campus.

Upcoming committee focus includes developing the WFOA recognition program for members, working closely with SAO in the recruitment arena and reaching out to more universities, colleges, community colleges and other private colleges in order to spread the word of careers in governmental finance accounting and WFOA.

Sadie presented a well thought out Charter for the committee, wherein the committee has clarified the Mission statement and a simplified the Vision of the group.

The committee is researching recruitment and recognition ideas and methods.

**Motion by Jack to approve the Professional Development and Sustainability Committee Charter. Jana seconded. Motion passed unanimously.**

## **STATE TREASURER REPORT**

**Megan Dietz**

Megan reported some changes in the agency. Kari Sample was promoted to Portfolio Investment Manager and Staci Ash is the new LGIP Administrator.

Megan also reported that the new State Treasurer's website is live.

## **Other**

Carmen took a few moments to acknowledge Angela Golden. It is her last Board meeting. She expressed her (and the Board's) thanks for Angela's excellent work on the 2016 conference and sponsorships. She has been a pleasure to work with. Thanks Angela!

Jana reported that there is a volunteer from Ellensburg who will be assisting and then taking over the responsibilities as our Webmaster. His name is Brent Myrick. He works with Jerica Pascoe.

**Motion by Carmen to accept recommendation to appoint Brent as Webmaster and grant him administrative rights. Mickie seconded. The motion passed unanimously.**

Adé shared that he is on various State and National committees, including AWC Legislative committee, the LEOFF retirement committee; a member of a Revenue Sustainability Index project to implement GFOA best practices. His city of Federal Way is a beta site.

Adé discussed his desire to honor Mike Bailey with an honorary lifetime WFOA membership. Jack provided a letter of nomination as required WFOA by laws.

Carmen noted that this honor is due to Mike's continued, demonstrated and outstanding service throughout his career to WFOA, his involvement and leadership in statewide and nationwide efforts impacting governments and governmental accounting.

**Motion by Brad to honor Mike Bailey with a life time WFOA membership. Craig seconded. The motion passed unanimously.**

Meeting adjourned The 2017 WFOA Annual Conference in Kennewick.

Respectfully submitted,

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Dale E. Hough

WFOA Secretary