

The Illinois Government Finance

SPECIAL EDITION



Report to the members of the Illinois Government Finance Officers Association • April 2008



IGFOA President Mark F. Nannini

In this issue

2007 Annual Report Highlights.....	2
Annual Conference Analysis	3
Illinois Public Pension News	4
Basic Debt Management Seminar	4
Looking Ahead to 2008 Conference	5
Welcome New Members	6
Associate Members & Sponsors	7
IGFOA Classics: 1988	8
Illinois Public Pension Institute	10
Joint IGFOA-WGFOA Conference	11
IGFOA Calendar	12

Illinois Government Finance Leader is the membership publication of the Illinois Government Finance Officers Association, NIU Naperville Campus, 1120 E. Diehl Rd., Naperville, IL 60563-9347

For more information, visit www.igfoa.org online, phone 630-505-0679, fax 630-505-0689 or email to info@igfoa.org.



From the President

This organization is only as strong as its members, those that volunteer and those that help to make our activities successful. The IGFOA staff is here to assist us with our purpose and our association's objectives, which are:

- ▶ To study, discuss, and recommend improvement in all aspects of government finance programs,
- ▶ To provide a means for the exchange of ideas and experiences among governmental finance officers,
- ▶ To promote and encourage professional competence through continuing education and training of government finance officers,
- ▶ To promote and foster the professional stature of all persons engaged in government finance activities,
- ▶ To collect, analyze, and distribute information relative to the organization and administration of governmental finance activities,
- ▶ To promote legislation and regulations that endorse efficiency and fiscal soundness for governmental units in Illinois, and
- ▶ To promote interest in and awareness of the government finance profession.

You the members achieve this; I serve as your President only as a figurehead to make the purpose and objectives of this organization viable. It is you that make this association a respectable and noteworthy organization. I encourage you to continue to participate in all activities at the Chapter and State level. You involvement is what has made this association so successful. I encourage you to continue and if you have not been involved to get involved. Include your staff so that you can encourage succession for future finance professionals. Let's keep our association viable for those who are coming up in the field and those that want to excel in the field.

In the spirit of the associations' purpose I hope you will look to include other professional organizations to participate in joint activities with IGFOA. With the assistance of our Executive Director, Marianne Shank, we have already embarked on encouraging the Illinois Municipal Treasurers Association and the Illinois Park and Recreation Association to coordinate activities to provide the highest level of training throughout the State of Illinois. The intent is not to raid their members or give up some of ours but to market the concept of the public finance profession as a group effort to grow our organization as well as theirs and deliver sufficient training to finance professionals in all capacities. With over 6,000 municipal entities within the State of Illinois we have room for growth.

If you have any questions or concerns I will be happy to address them on a one-on-one basis or at the next Executive Board meeting — which you are all always invited to attend.

Thank you,

Mark F. Nannini

2007 Highlights

GFOA had a busy year, with a wide range of efforts and accomplishments intended to continue to fulfill the organization's vision of *being the premier source of local government finance expertise in Illinois*, and its mission of *promoting excellence in governmental finance through leadership, education, professional development, peer support, and communication so as to advocate best practices and advance the competence and effectiveness of local government finance officers*. Following are some of the highlights of the year.

Strategic plan accomplishments

Strategy 1:

Develop and deliver training programs that meet the needs of both new and experienced local government finance professionals.

- Offered 109 CPE credits in 2007
- Prepared Distance Learning Plan
- Instructor skills training

Strategy 2:

Expand the pool of quality talent for positions in local government finance in Illinois

- Retained 90% of public sector members
- Assistants' network luncheons

Strategy 3:

Advocate public policies that promote the fiscal stability of Illinois local governments

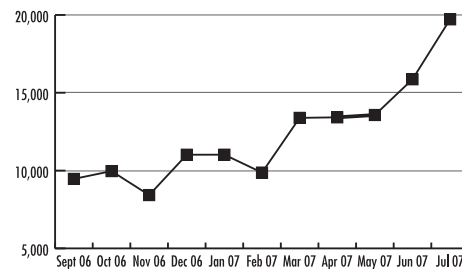
- Held first IGFOA legislative webcast
- Monitored legislation through long General Assembly session

Strategy 4:

Provide opportunities for government finance professionals to connect with one another and encourage the exchange of information and best practices.

- Increased participation in online members exchange
- Assistants' network luncheons

Website sessions



Each month, the number of users of www.igfoa.org continues to grow.

Government representation in IGFOA membership

Type	Number	Percent
Municipal	215	69%
Park District	48	15%
County	10	3%
Other	14	4%
Intergovernmental	4	1%
Non-Profit	1	0%
Regional Agency	3	1%
Library District	4	1%
Sanitary District	2	1%
School District	5	1%
Township	5	2%
Fire District	2	1%
Total	319	100%

Strategy 5:

Perpetuate the Association's leadership and financial stability

- Staffing and office contract with NIU

Website highlights

The number of people using www.igfoa.org continues to grow. Several new pages were added to the site, including:

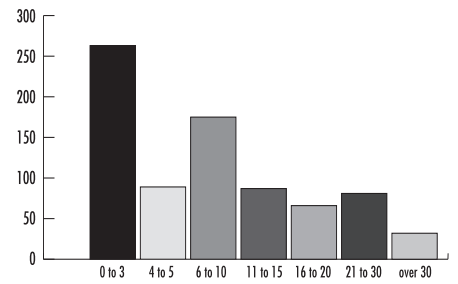
- Assistants Network Page
- Ethics Resource Page
- Members Login on Homepage
- Career Development Committee Resource Page

Reflecting our growing knowledge network, the Members Exchange Bulletin Board saw 350 posts in 79 topics in the first half of 2007.

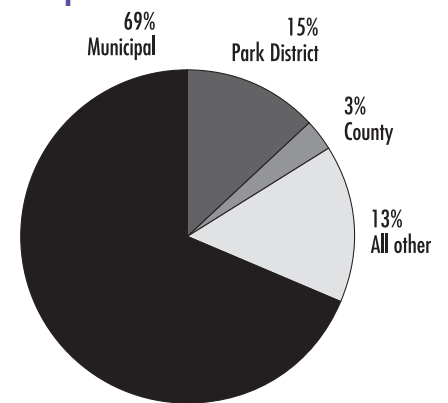
A multi-faceted year for TARC

The Technical Accounting Review Committee (TARC) prepared and presented three responses to GASB projects, and there were more than

Member tenure



66% of IGFOA members joined in the last 10 years.



3,000 documents downloaded from the TARC webpage.

TARC planned two sessions for the Illinois Municipal League's Annual Conference.

Legislative Committee was active

The Legislative Committee tracked legislation throughout a long session and held the first IGFOA Legislative Webcast.

Another successful Annual Conference

The Annual Conference drew 313 attendees.

In addition to a full list of substantive educational programs and the opportunity for members to relax and network, members heard from Bill Scherr on the Bid to Bring the Olympics to Chicago, and Illinois Treasurer Alexi Giannoulias on public finance challenges and opportunities in Illinois.

The annual golf outing held in conjunction with the Conference raised over \$6,000 for Make-A-Wish Foundation® of Illinois.

The 2007 Annual Conference: An Analysis of Attendance

Attendance at the IGFOA Annual Conference continues to grow. From 2002 to 2007, attendance increased by over 50%. Both public and private sector attendance grew at similar rates from 2002 to 2007; however, public sector attendance grew dramatically in 2006 and 2007 after two years of stagnant attendance. In addition, **the 2007 conference was the first to surpass 300 attendees.**

The 313 attendees at the 2007 conference represented 179 unique organizations. Individual public and private sector attendance remained close in 2007; however, 110 governments sent attendees, while only 69 private sector firms sent attendees. This accounts for a difference of 41, which is more than double the difference in 2006.

2007 had the highest repeat and growth rates

The 2007 conference reported the highest repeat rate (60%) and highest growth rate (17%) of any conference in the last five years. In addition, the conference growth rate remained in double-digits for the second straight year.

Our challenge: The challenge for conference attendance is turning the conference into a consistent professional development expenditure for local governments. As mentioned above, 110 out of 319 member local governments sent attendees.

Over 50% of public sector conference attendees in 2007 came from the Chief Financial Officer level. In fact, 2006 was the only conference where CFOs were not in the majority.

Assistant finance directors and other finance staff continue to account for roughly half of public sector conference attendance. Assistants and finance staff comprise the conference attendees of the future. Consequently, if the association can continue to draw strong repeat and growth numbers among these positions, public sector attendance should remain healthy.

Nearly a quarter of attendees attended their fifth or sixth IGFOA conference in 2007. **In order to ensure stable growth in the conference, the Association must attempt to convert the 54% that attended their first or second conference into the 24% that are conference regulars.** Tracking repeats and the conference attendance frequency are effective ways to measure this conversion.

Those with longest membership tenure have greatest attendance rate

CFOs comprise the largest public sector membership group, and yet member CFOs attended the 2007 conference at a below average rate (25% to 28%). Only CFOs with longer tenures attended the conference at a higher than average rate (31%).

On one hand, it is not surprising that members with longer tenures attend at higher rates. It is reasonable to conclude that these CFO attendees have found value in the conference and membership, and thus remained active in the IGFOA.

There were 106 first-time attendees at the 2007 conference. 49% of these first-time attendees were non-members, 39% were new members (0-3 years). Those that have been members for over 3 years only comprised 12% of first-time attendees. It appears that middle-tenured (4-5, 6-10) and longer-tenured (over 10) already attend conferences or do not start attending conferences until after the third year of membership. For second-time conference attendees, new members (0-3 years) account for a majority (52%).

[continued next page](#)

Summation

The IGFOA 2007 Conference Evaluation Report confirms that the 2007 Conference was a success on multiple levels. The welcome reception, hotel and conference center ratings went up in 2007. While educational session ratings dipped slightly, the results do not suggest a dissatisfaction with the training component. Vendors enjoy the conference less than public sector members; however, they rated the conference higher than the average conference ratings in the past.

What can the IGFOA learn from this evaluation report?

- ❶ Attendees want advanced and relevant training at the conference. When sessions received below average ratings, the common criticism was that the sessions did not go into enough detail.
- ❷ Conference planning is part of ensuring a conducive learning environment. People learn easier in a room that has the proper accommodations. Consequently, conference planners need to be cognizant of attendance projections to make sure that the number of educational tracks works well with the room choices and sizes.
- ❸ Exhibitors want a layout that maximizes attendee traffic. We do not want to run the risk of losing exhibitors because they do not feel the conference provides value for them.

Between record attendance and strong evaluations, the 2007 Conference was a significant success. As the conference continues to grow, building on that success is essential for the IGFOA well-being and strategic success.

Conference

continued from page 3

Individuals attending their third conference are spread among the tenure ranges. As expected, new members account for a small percent of fourth, fifth, and sixth-time conference attendees. Members with over 10 years in the IGFOA comprise the plurality for fourth (48%) and fifth (44%) time attendees and the majority for sixth-time (65%) attendees.

Members who come early on keep coming back

Although this data only accounts for the 2007 Conference, the figures suggest that if members do not start attending conferences early in their membership, they are less likely to start attending conferences later in their membership tenure. The challenge is to attract first-time attendees and then make the conference “routine” for them.

Handling growth will be important to our success

Strategies for attendee retention and attraction rely in part on the association’s ability to handle growth.

The record attendance at the 2007 conference stretched the limitations of the conference center facility for the planned program. Following past trends and making educated predictions about the future will enable the Association to respond to attendance growth, both in the selection of conference sites and in the planning of educational session tracks.

Already, the IGFOA staff is rethinking conference registration in order to obtain a more accurate view of attendance at various conference events (session tracks, social events, etc.).

The conference attendance outlook appears strong for the IGFOA; however, it will remain important to follow attendance trends to recognize any shifts or changes in attendee patterns. Being able to recognize and respond to shifts will set the Annual Conference on a solid footing.

ILLINOIS PUBLIC PENSIONS

Illinois Public Pension News

Pew Charitable Trusts report explores taxpayer obligations for retirement benefits

\$2.73 trillion. That is a conservative estimate of what states will spend on pensions, health care and other retirement benefits for their employees over the next 30 years. It is an enormous investment of taxpayer dollars—so the stakes are extraordinarily high. Across the country, state policy leaders are trying to strike the right balance between controlling costs and recruiting and retaining talent in the public sector.

This groundbreaking report, *Promises with a Price*, provides first-of-its-kind data about the long-term costs of public sector benefits. It highlights which states are prepared to pay the significant bill coming due, which are not, and why it matters to state lawmakers and citizens alike.

The report can be found at http://www.pewtrusts.org/our_work_report_detail.aspx?id=32390

Expanded Investment Authority Proposed

HB 4959, introduced by Rep. Karen May, 58th District, would expand investment authority for Illinois Downstate and Suburban Police and Firefighter Pension funds with net assets of \$5,000,000 or more.

As written, HB 4959 would increase the maximum percentage of the market value of the pension fund’s net present assets in certain investments from 35% to 50% if the fund utilizes an investment management consultant or an investment manager.

The IGFOA Legislative Committee is monitoring this and copious other bills related to pension and benefit matters.

See information on the Illinois Public Pension Institute on page 10.

Brush up on Basics: IGFOA Basic Debt Management Seminar

Thursday, May 1 NIU Naperville

Keep current on local government debt management practices at the May 1 seminar, whether you are new to local government debt financing or keeping pace with the rapid changes the economic climate produces.

Types of Borrowings and Basic Bond Math

Review the types of bonds authorized under Illinois law (including the impact of recent market events on certain types of financings), and bond math (including refundings, whether to pay cash or borrow, and basic arbitrage rebate concepts).

Review of the Basics

Get to know the players, roles, and documents used in financing capital projects.

Official Statements

Review the basics of disclosure obligations and issues raised by recent market events.

The Rating Agency Process

Take an elementary look at rating agency criteria, rating process and preparation for rating agency presentations.

Underwriting Process

Examine underwritings from the viewpoint of the underwriting desk and understand how bonds are bought and sold and the differences in approach for competitive and negotiated issuers.

Keeping It Legal: Dos and Don'ts

Focus on the issuer’s legal authority and its limits.

Find more details at www.igfoa.org/BasicDebtManagement2008.html.



2008 Conference Sneak Peak

September 6-9, 2008 Hilton Garden Inn Champaign

- ▶ Football and fun as U of I meets Eastern Illinois on the gridiron on Saturday. Registration will include option to purchase tickets for you and your guests.
- ▶ Illinois State Comptroller Daniel W. Hynes will give the Tuesday Brunch Keynote.
- ▶ Workshops within the Conference to polish your professional skills
- ▶ David R. Bean, GASB's Director of Research and Technical Activities and the IGFOA Technical Accounting Review Committee are planning a Hot Topic session on GASB standards and projects.
- ▶ Advanced Debt Management will be offered as a seminar within the conference —be sure to attend the May 1st Basic Debt Management seminar so you are ready to tackle advanced topics in September!

Hot Topic session on GASB standards and projects



The session will be lead by David R. Bean of the GASB staff. Mr. Bean joined the GASB staff in 1990 as its first full-time Director of Research and Technical Activities. Previous to working at the GASB, he was with Ernst & Young. Mr. Bean also was the Director of the Technical Services Center of the Government Finance Officers Association and worked for the State Comptroller's Office in Illinois. He holds a B.S. degree from Illinois State University and is a CPA.

Workshops within the Conference Janet Nelson, Facilitator



Presenting Your Point of View

In this two-hour workshop, we will cover the basics of presentation skills: using delivery skills like eye contact and voice effectively and organizing content for greatest impact. We will also cover speaking while seated at a meeting and delivering a concise message on voice mail. Participants will learn techniques that will help them feel more comfortable speaking in front of a group and organize presentations logically.

Writing for Impact

In this three-hour workshop, we will focus on structuring documents for maximum impact by being clear and concise and on creating professional tone. We will apply these solid writing techniques to samples of your own writing. Participants will learn to structure letters and memos to highlight the main point, edit documents to be clear and concise, and create tone to foster a good impression.

Janet Nelson has worked as a trainer, consultant, and facilitator in communication and management skills for twenty-one years. She has earned the designation of Certified Professional Facilitator through the International Association of Facilitators. Janet's clients over the years include IGFOA, Baxter Healthcare Corporation, Boston Scientific, McDonald's, LaSalle Bank, Andersen Consulting, Equity Office Properties, and CCC Information Services. Locally, she has served as a facilitator for the City of St. Charles, Batavia Public Schools, and the City of Batavia. She graduated from the University of Illinois at Urbana with a B.A. in French and English Education and received an M.B.A. from Northern Illinois University.

The 2008 Conference program and opening registration will be unveiled later this spring.

In the meantime, check out what's in store!



Daniel W. Hynes,
Illinois State
Comptroller

About the Keynote Speaker

Daniel W. Hynes is serving his third term as State Comptroller. As the state's chief fiscal officer, Hynes, 38, believes the Comptroller should be a watchdog for taxpayers and consumers. Hynes has spearheaded the fight for higher ethical standards in government. His continuing crusade to institute long-term budget reform resulted in legislation that spurned quick fixes and created both a Rainy Day Fund and a permanent funding stream to pay for it. He has repeatedly warned against growing structural deficits, and in 2006 drafted legislation to address structural budget issues.

Hynes has re-energized the Local Government Division of his office. Under his administration, local government financial reporting compliance has increased from 65 percent to 95 percent. In addition, his office has provided statewide training and assistance to thousands of local government officials, which resulted in initiatives that saved local taxpayers more than \$1 million.

His Public Accountability Project has become an established reporting system that offers a comprehensive view of what each government program is intended to accomplish and whether it has met its goals.

During his tenure, Hynes has initiated cash management practices that have provided payment relief to thousands of state vendors and generated hundreds of millions in accelerated revenues for the State of Illinois. He has made the state a better business partner by strengthening the Prompt Payment Act so that vendors receive interest when reimbursements for goods and services they provided are severely delayed. He has also expanded the state's commercial direct deposit program, encouraging state vendors to receive their payments electronically, thereby saving money and increasing efficiency. Under Hynes' leadership, participation in the direct deposit program has grown substantially and he has put sharper teeth into the state's debt collection efforts, more than doubling the monies collected through the Comptroller's offset system.

Watch for more details in the next *Leader!*

Welcome New Public Sector Members

Forty-two new members joined IGFOA in the first quarter of 2008!

Hal Bittenger, Village of Richton Park
 Chris Black, City of McHenry
 Hugh P. Brennan, City of Joliet
 Rhonda Brewer, Wood Dale Park District
 Erik Brown, City of Lockport
 Jamie Cunningham, Village of Lombard
 J. Randall Dempsey, Prairie State College Dist #515
 Michele DuTour-Walavich, Prairie State College Dist #515
 Wayde Frerichs
 Melissa Gallagher, City of Rolling Meadows
 Gloria Gibson, Village of Matteson
 Diane Gleich, Village of Elk Grove
 Zoila Gomez, City of Plano

Gary Gordon, Lake County
 RuthAnne Hall, City of Elgin
 Brian J. Hanigan, Village of Oak Lawn
 Gerald Hayes, Oak Lawn Park District
 Rich Hentschel, Lake County
 Kathryn Hertel, Village of Montgomery
 Matt Hoffman, Village of Sugar Grove
 Ryan J. Horne, Village of Morton Grove
 Susan L. Jay, Schaumburg Park District
 Sonya Keller, City of East Moline
 Karen Kennedy, Rockford Park District
 Carolyn Lynch, City of McHenry
 Kenneth R. Mihelich, City of Joliet
 Melinda Molloy, Chicago Park District
 Kathryn Motzer, City of East Moline

Nancy Burklow, University of Illinois at Springfield
 Nancy Noworyta, Village of Lansing
 Spencer Parker, Village of Westmont
 Myron Salmon, City of Sullivan
 Mary-Lynne Schultz, Lake County
 Tina Stanley, City of Champaign
 Barbara Stenbridge, Elmhurst Park District
 Linda Straka, Batavia Park District
 Shannon Thomas, Village of Maywood
 Sherry Thomas, City of Peoria
 Veronica Vargas, Village of Maywood
 Ma. Felicidad Mesina Vidar, Chicago State University
 Nicole Winikates, Village of Palatine
 Dorothy Wisniewski, City of Des Plaines

2008 Individual Associates

Lee Nysted, A.G. Edwards, Inc.
 Kirk Mattson, A/R Concepts Inc.
 Terry Weitzel, Alliance Benefit Group
 Pat Mannix, Andres Medical Billing, Ltd.
 Neil Pritz, Banc of America Securities LLC
 Kim Feeney, Bank of America
 Robert J. Hannigan, Bansley and Kiener, LLP
 Michael D. Huels, Bansley and Kiener, LLP
 Paul A. Merkel, Bansley and Kiener, LLP
 Corinne Larson, Bear Stearns
 Alan Bond, Bond Logistix LLC
 Krenna Weiss, Chase Bank
 Barbara Blumenfield, Ph.D, CIGNA
 Sam Blahnik, Civic Systems, LLC
 Carla Paschal, Clifton Gunderson LLP
 Jeffrey E. Tyner, Clifton, Gundersen L.L.C.
 Laurie Roberts Hayes, Financial Management Assistance Unlimited
 Chad Thorson, First Trust Portfolios, L.P.
 Wendy Flaherty, First Trust Portfolios, L.P.
 Melanie Shaker, FitchRatings
 Patricia Walsh, FitchRatings
 Hank Gay, Harris Bank, N. A.
 Jim Darukhanavala, Harris Computer/MSI
 John Williams, Hearne & Associates, P.C., Certified Public Accountants
 Mark Garapolo, ICMA-RC Services, Inc.
 Jean Parson, Illinois Municipal Retirement Fund

Jill Scheibelhut, ImageMaster Financial Publishing, Inc.
 Bruce Davis, JP Morgan Chase
 Susan Floetl, JP Morgan Chase
 Laura Mishlove, JP Morgan Chase
 Daniel Kaplan, Kaplan Financial Consulting, Inc.
 Jeff Markert, KPMG LLP
 Karen M. Mikan, Marquette Bank
 John Hall, MB Financial Bank
 Terese Krafcheck, MB Financial Bank
 Marie St. Jean, MB Financial Bank
 Dick Choyke, MBIA Asset Management
 Linda Abernethy, McGladrey & Pullen LLP
 Joseph J. Evans, McGladrey & Pullen, LLP
 Michelle Horaney, McGladrey & Pullen, LLP
 Heather Morandi, McGladrey & Pullen, LLP
 Walter Stock, Mesirow Financial
 Janet Barr, Milliman
 Larry Rankens, Mischler Financial Group, Inc.
 Scott Kersh, Mischler Financial Group, Inc.
 Angelo Coglianesi, Morgan Keegan & Co., Inc.
 Kim Fordham, Municipal Services Group
 Barbara Fahnstrom, National City Bank
 Timothy Dunning, National City Bank
 Kaul Lefief, New World Systems
 Sue Kling, Promontory Interfinancial Network
 David Zahller, Security Benefit Group of Companies

Edward G. Tracy, Selden Fox, Ltd.
 Mary L. Tomanek, Smith Barney
 Ron Tomanek, Smith Barney
 Mark Grant, Southwest Securities
 Kevin Delaney, Springbrook Software
 Ted L. Disabato, Stratford Advisory Group
 Rod Kuecker, Suburban Bank & Trust
 Chris McAtee, SunGard Public Sector Pentamation, Inc.
 Donn J. Zawacki, Tekcom Corporation
 Robert Demos, The Bank of New York
 Heidi J. Voorhees, The Par Group
 Donald F. Theobald, Theobald Associates, Inc.
 James Leader, Third Millennium Associates, Inc.
 Timothy W. Sharpe, Timothy W. Sharpe, Actuary
 Stacy Stoll, US Bank
 Victor Chang, Wells Fargo
 Wayne McMillan, Wells Fargo
 Tom Lanctot, William Blair & Company, LLC
 John L. Borovicka, William Blair & Company, LLC
 John Peterson, William Blair & Company, LLC
 Joy A. Howard, WM Financial Strategies
 Terri Svec, Zabinski Consulting Services, Inc.
 Calene Zabinski, Zabinski Consulting Services, Inc.

Find more details about IGFOA associate members by logging into [the directory at www.igfoa.org](http://www.igfoa.org).

2008 Sponsoring Firms

Becker, Burke Associates

Howard H. Pohl
Richard L. Potter

Capital Gains Incorporated

Gary Karshna

Chapman and Cutler

Patricia M. Curtner
Lynda K. Given
Kelly Kost
Timothy V. McGree, Esq.

Charter One Bank

Sean P. Durkin
Todd Sholeen
Jill Wokurka

Crowe Chizek and Company LLC

John Miller
Bert Nuehring
James L. Pandolfi
Scott Termine
Christine Torres
John Weber
Gwendolyn Y. Winfrey
Chris Mower

Ehlers and Associates, Inc.

John Repsholdt
Beth Ruyle

Fifth Third Bank

Carl Abrahamson
Jack G. Demes
Jennifer Gainer
Robert Mathson
Laura Shallow

Gallagher Benefit Services, Inc.

Greg Aleman
Marty Lyons

Goldstein and Associates

Sandor Goldstein
Carl Smedinghoff

Illinois Metropolitan Investment Fund

Laura Allen
Debra A. Zimmerman

Information Development Consultants, Inc.

Lou Jiricek
Daryl E. McPherson

Kane, McKenna Capital Inc.

Nicholas Greifer
Philip R. McKenna

Knutte & Associates, P.C.

Laurie DeFazio, CPA
Dave Knutte, CPA

Lauterbach & Amen, LLP

Ron Amen
Sherry Lauterbach
Nancy A. Pauley
Jamie Wilkey

Miller, Cooper & Co., Ltd.

Betsy Allen
Candy Mayer
Andrew Mace
Irwin A. Lyons

Morgan Stanley

Kenneth R. McConaughay
Mark McConaughay

MWM Consulting Group

Bernard Hartt
Kathleen Manning
Jan Marc Peterson

The Northern Trust Company

Allan R. Ambrose
Christopher Shih

Oppenheimer & Co. Inc.

Hamilton Chang
Kathleen A. Thomas

PFM Asset Management LLC

Robert Leli
Jeff Schroeder
Tim Sullivan

PMA Financial Network, Inc.

James O. Davis
Michael R. English
Robert E. Lewis
Doreen A. Linderman
Tim Matthews
Nathan Nissen
Courtney Rios

RBC Capital Markets

Joanne Malinowski
Tod Miles

Robert W. Baird & Co.

Thomas J. Gavin
Stephan Roberts

S.B. Friedman & Company


Stephen B. Friedman
Jill Steen

Sawyer Falduto Asset Management, LLC

John Falduto
Thomas S. Sawyer

Sikich LLP

Jean Bauer
Daniel A. Berg
Rita Boserup
Anthony Cervini
John Chalekian
Megan D. Cochran
Debbie Crabtree
Caroline A. Dittman
Tim Gavin
Louis G. Karrison
Kelli J. Kauffman
Fred Lantz
Brian LeFevre
Chad Lucas
Larry Maholland
Janet Matthys
Asiya Moosani
Gary Neubauer
Jason Paprocki
Matt Pehle
Karen Sanchez
James R. Savio
Laura VanBroeck



Please consider including IGFOA Individual Associates and Sponsoring Firms in Requests for Proposals and Bids. Check the **IGFOA Financial Services Guide** and on-line directory for more information about these member firms.

Who's missing from our list?

Please forward contact information for firms with which you do business that may be interested in supporting professional government finance and could benefit from IGFOA Associate membership. IGFOA Associates Forum will follow-up to encourage firms you refer to join.

Speer Financial, Inc.

Barbara Chevalier
Daniel D. Forbes
Kevin W. McCanna
Raphaliata McKenzie
David F. Phillips

Standard & Poor's Ratings Group

Spiro C. Hountalas
John Kenward
John McGowan
Helen Samuelson
James Wiemken

Virchow, Krause & Company, LLP

Heather Acker
John Andres
Tim Cole
David Farmer
Sheldon P. Holzman
Robert E. Horstman
Michael Ley
Joe Lightcap
Kay Nees
Melonie Pierson
Don Rahn
Tom Scheidegger
James White

Washington Mutual

Milon Bledsoe
Brian Dodge

Wayne Hummer Asset Management Company

Mike Castino
Larry Doody

Wintrust Financial

Aimee Briles
Tom Ormseth

Wolf & Company LLP

Jody Gauthier
Tina C. Ward, CPA
John DeLand
Michael Senko
Mary Ventiella

IGFOA Classics

Reprinted from the December 1988 issue of *Illinois Government Finance Review*

During our 50th Anniversary year, IGFOA is honored to reprint classic articles from past IGFOA publications. Enjoy these excerpts from the December 1988 *Illinois Government Finance Review*, "Illinois Innovations: Sharing New Ideas," by Bill Stafford and Daniel W. Ryan. Note: At time of original publication, contacts were correct; for up-to-date contacts, please visit the directory at www.igfoa.org.

Morton Grove's federal motor fuel tax refund and commuter parking lot tokens

The Tax Reform Act of 1986 required all state and local governmental units to pay the Federal Motor Fuel Excise Tax "up front." Although municipalities remain exempt from this tax, the Tax Reform Act requires localities to pay the tax "up front" and apply for the refund of the tax paid by local governments to their wholesalers. Very few, if any, municipalities in Illinois have applied for the refund. Morton Grove received its refund from the federal government four months after it applied.

The refund is applied for by simply completing IRS Form 843. This is a generic form used by taxpayers for all refunds except those for income taxes. The Tax Act provides that this refund is available on an annual basis, except for those municipalities which have a Federal Motor Fuel Tax of over \$1,000 per quarter. In the latter case, the refund can be applied on a quarterly basis.

The Village of Morton Grove instituted a parking fee in February, 1988 for its train station commuter parking lot. Commuters pay one dollar per day, depositing currency in a "clustered" type money box, in slots, numbered with the spaces in which they parked.

The slots in the clustered box were such that anyone using a dollar bill had to fold it three to four times, then stuff it in the best way possible. When it came time to count the monies, significant time was spent unfolding the dollar bills and then counting them.

The village instituted the use of parking tokens as a convenience to both commuters and the financial support staff. Bright red stop sign shaped tokens with the words "Morton Grove

Commuter Parking" were purchased from the vendor who produced the village dog tags (in fact, the material and shape are exactly the same). The tokens were purchased for five and one-half cents each and are reusable and transferable from user to user. The tokens fit into the parking lot slot box as easily as coins.

The tokens are packaged in monthly supplies and sold at a modest discount, to encourage their use (i.e. 25 for \$22). They are available at village hall during business hours or at the front desk of the police department at any time. To publicize the program, flyers were placed on commuters' cars and a sign was placed on the clustered box.

Security is improved because the community service officers who pick up the money every day do not have to worry about carrying a large amount of cash when taking it to be deposited. *For more information, contact Spiro Hountalas, Director of Finance (1988).*

Schaumburg's revenue manual and monthly report

Schaumburg has developed a comprehensive revenue manual. Each revenue source for the village is explained and analyzed. For each revenue, the manual provides its type of account, the account number description, description of the enabling legislation and a ten year history of receipts. This manual can be used by auditors, citizens and board members.

Schaumburg has developed a monthly financial report that is provided to the manager and board of trustees. It is a superior level of reporting on a monthly basis. The report provides a transmittal memo with highlights of financial status for

the month. It provides the status of the investments, including the yields and types of investments. It reports on the use and up-to-date status of contingency funds. Finally, it provides both summary and detailed accounts of revenue and expenses by fund.

For more details, contact Ken Fritz, Assistant Finance Director (1988).

Park Ridge's flood recovery commission

During the great floods of 1986 and 1987, certain areas of Park Ridge experienced major overland flooding twice within a ten-month period. In some cases, homes were submerged in excess of four feet of water. To help these people rebuild their homes, the city council established a flood recovery commission, appointed by the mayor and made up of residents who are not elected officials. The commission includes an accountant, an attorney, a banker, a building contractor and a minister. The commission was given \$400,000 to use for making loans and \$50,000 to give in the form of grants.

The city ordinance set forth the following conditions to operate the program:

1. Loans and grants were to be for replacing or repairing damaged real property and fixtures only. Personal property was ineligible.
2. Any resident with water damage was eligible for a grant. Loans were only available to people who suffered overland flooding.
3. The maximum loan was \$10,000; the maximum grant \$2,500.
4. Loans were interest-free with no monthly payments. The principal is due in thirty years or upon transfer of title, whichever comes first.
5. The loans are secured by a mortgage on the property.
6. The loans and grants were intended to satisfy the unmet needs of the homeowner only

after all other sources had been exhausted. Therefore, the homeowner must have applied to the appropriate state and federal agencies in order to be considered by the commission.

In total, seventy-two applications were received for loans or grants. These were pre-screened by city staff and then reviewed by the flood commission. The commission approved \$72,700 in loans and \$11,400 in grants.

For more information, contact Jeff Rowitz, Assistant Finance Director (1988).

Normal's investment committee

The Town of Normal has an investment committee consisting of a banker from the local community, one person representing a savings and loan institution, a professor from the university who was the past chairman of the university's finance and law department, the finance director, and the assistant city manager. Also sitting in are a representative from the fire pension board, a member of the finance department staff and a student intern.

Business conducted by the investment committee is as follows:

- Written policies and procedures of Normal are reviewed by the committee.
- Performance reports on investments with comments related to that performance are presented. The finance department formally makes a prediction on what interest rates will do during the next quarter, and as a result of that prediction, makes recommendations as to what the town's investment posture should be if that projection continues to be true. The finance department maintains complete flexibility to deviate from the deliberations of the committee.
- At each meeting at least one new investment vehicle is discussed to further educate the committee.
- The committee has established a long-term investment goal for the fire pension funds. The finance

department reports to the committee on the long-term goals, and provides a current listing of the portfolio. The finance director outlines the total funds available for investment, and recommends how to invest the funds. The committee comments on the recommendations.

- The committee has begun tracking a few bank stability ratios of banks in the local community.

For more details, contact Ronald Hill, Finance Director (1988).

Decatur's Street sweeping contracting and police department laptop computers

The City of Decatur decided to contract out its street sweeping services. The city conducted a detailed cost analysis of one of six street sweeping routes. The analysis revealed that the cost came to \$57,000 per year. The cost of the same services bid out came to \$39,000. This resulted in a \$18,000 or 32% savings. There were no layoffs involved because the city was able to transfer the affected personnel.

Decatur's Police Department has purchased Tandy 102 laptop computers from Radio Shack for use in police cars. The machines were used to improve the speed and content of police reports and reduce overtime expense. The computers are small (about the size of a large book), lightweight, and since they are battery powered, totally portable. Software was obtained from the St. Petersburg, Florida Police Department at no cost and modified to meet Decatur's needs. The program has been successful due to several factors:

1. The software prompts the police officer for information, thus reducing the possibility of oversights on reports.
2. The report information is keyed into the computer in the field while it is still fresh, not typed back at the station at the end of the shift when the notes taken earlier may be hard to interpret.
3. The information received to date has become more detailed because

of the ease with which it has been captured and quickly revised, updated, or modified before printing.

4. Although no log has been kept for report writing on overtime before and after the laptops, it can easily be observed that overtime has been reduced. Officers previously could spend as much as two hours at the end of their shifts typing reports from handwritten notes. This can now be accomplished in 10 to 20 minutes by plugging the laptop into a printer and sending the reports to print.

For more information, contact Ronald Lappi, Finance Director (1988).

Skokie and Mount Prospect's enhancements for collection of real estate transfer tax

The villages of Skokie and Mount Prospect have used some new techniques to improve their collection of the real estate transfer tax both impose. They have both eliminated the use of expensive stamps which were used to verify the tax payment on legal documents. Skokie has opted to use a FIGI machine which makes an impression on the document with the cost of the tax. Mount Prospect uses a gold embossed stamp with the tax written on it to show proof of payment.

Both villages use a downtown office near the Cook County building and title companies to facilitate payment. Twenty percent of Mount Prospect's real estate transfer sales occur downtown while a full sixty percent of Skokie's such sales occur in downtown Chicago. This is extremely helpful for the attorneys and the county. Skokie also employs the use of direct deposit of its monies by an agent of a downtown bank, enabling them to earn interest on their funds immediately.

For more information, contact Dan Ryan, Finance Director for Skokie (1988), or Dave Jepsen, Finance Director for Mount Prospect (1988).

Daniel Ryan is Finance Director of the Village of Skokie and President Elect of the Illinois GFOA (1988)

William Stafford is Executive Director of the IGFOA (1988)

Illinois Public Pension Institute

Friday, April 25, 2008

NIU Naperville, 1120 East Diehl Road, Naperville, IL 60563-9347

Check in/Continental breakfast: 8:30–9:00 am

Seminar: 9:00am–4:00 pm

Continental breakfast, breaks, lunch, and course material is included in the fee. CPE Credits: 6

- ▶ Review the political and economic climate affecting public pension funds
- ▶ Discuss proposed legislation and impacts on local governments
- ▶ Learn the mechanics of a 130/30 long term investment strategy
- ▶ Examine how changes in accounting and reporting for Other Post Employment Benefits are changing local governments fiscal outlook

Keynote Address by Girard Miller. Additional sessions include:

Overview of the Enhanced Long Strategies (130/30) Investment Process

Ted Roman, Bear Stearns & Co. Inc.

Enhanced long strategies (130/30) have sparked a great deal of interest from institutional and individual investors. But what is it and how does it work? This session will provide an overview of the enhanced long strategies investment process. Learn who the major participants are, their roles and how they benefit. The mechanics of the strategy will be demystified. Find out what the acceptance by the market place has been and hear about the prospects for the future.

From the Legislative Front: Downstate and Suburban Police and Firefighter Pension Funds

David Richardson, IGFOA Legislative Chair and Village of Streamwood Finance Director and Joe McCoy, Illinois Municipal League

This year the IGFOA Legislative Committee is tracking more than 25 individual bills in the Illinois General Assembly pertaining to Public Safety Pension and Disability Legislation. Come learn what is being contemplated in Springfield and hear more about the Illinois Municipal League's proposals for pension reform.

Public Pension Investment Practices: Trends Around the Country

Corinne Larson, Bear Stearns & Co. Inc.

Last fall the Government Finance Officers Association (GFOA) and Bear Stearns & Co. Inc. conducted a survey on public pension investment practices and found that over the past several decades, investment practices by public pension plans have changed significantly. This session will provide an overview of the survey results and discuss trends in investment practices around the country.

Illinois Division of Insurance Update

What can you expect from a DOI audit of downstate and suburban police or firefighter pension funds? Get the latest news on audit approaches and electronic filing.

How to Withstand a Tough Market

A panel of public sector finance officers and pension fund advisors will explain how the pension funds they work with are making asset allocation decisions in this uncertain economy. The group will discuss the shifts in investment practices noted in the GFOA survey and will share tips on how to work with pension boards to make decisions in a tough market.

Keynote Address

Girard Miller, *Governing Magazine*, joins us for a Keynote Address and Update on OPEB liabilities and the impact OPEB liabilities is having on local government fiscal health.

An investor, strategic consultant and commentator, Girard Miller is known nationally as an authority on the investment of public funds after working extensively in many capacities in the public sector and investments. His column, "Girard Miller's Benefits Beat," appears regularly in *Governing* magazine.

Since July 2007, Miller has served as a voting member of the Governmental Accounting Standards Board. He is a director of the Tegril Group. He has previously served as an adviser to the White House and the U.S. Treasury Department.



Girard Miller, Keynote

***Invite others
from your
management team!***

Registration Fee:

IGFOA Members: \$195 — *new lower price in 2008!*

Non-members: \$270

2008 Joint Conference



Thursday, May 15 and Friday, May 16
Holiday Inn, Janesville, Wisconsin

Thursday, May 15:

- Registration & continental breakfast: 8:00–8:45 am
- Educational sessions: 8:45 am–5 pm
- Optional dinner and theater: 5:30–10 pm

Friday, May 16:

- Breakfast buffet: 7:30–8:30 am
- Educational sessions: 8:30 am–noon

Who Should Attend:

Finance directors, managers, finance directors, and other professional staff who are responsible for local government budgeting and capital planning. CPE Credits: 9.5

- ▶ Understand the importance of strategic planning in guiding budget development and decisions
- ▶ Learn how, why and when to use performance measures
- ▶ Examine how to develop and carry out a capital improvement plan
- ▶ Become familiar with avenues for building economic development and redevelopment into the capital improvement plan
- ▶ Explore projection processes for key revenues and expenditures
- ▶ Understand budget criteria and standards
- ▶ Discuss various approaches to preparation of the budget document and popular reports

Registration Fee:

IGFOA Members: \$175 — *new lower price in 2008!*

Non-members: \$225

Hotel room reservations: Attendees should make reservations directly with the Holiday Inn Express Janesville by calling 608-756-3100 and ask for the WGFOA or Wisconsin Government Finance Officers Association rate. Conference rate room cut-off date is May 1, 2008. Check-in time is 3 pm and Check-out time is noon.

Single Rate: \$62; Double Rate: \$70; Triple Rate: \$78; Quad Rate: \$86

Directions:

The Holiday Day Inn Express Janesville is conveniently located directly off of I-90/I-39 at U.S. 14 about 100 miles north of Chicago at 3100 Wellington Place, Janesville, Wisconsin. Visit www.hiejanesville.com for more information.

For details visit www.igfoa.org

Agenda

THURSDAY, MAY 15:

- 8:00–8:45 Registration
Continental breakfast
- 8:45–9:00 Welcome/Intros
- 9:00–10:15 Strategic Planning
Larry Maholland, Sikich Group
- 10:15–10:30 Break
- 10:30–noon Performance Measurements
Panel: Larry Maholland, Sikich Group and Thomas McCarty, County Administrator, Eau Claire County, WI
- noon–12:40 Lunch
- 12:40–1:00 Update from the GFOA President
Charles S. Cox, Director of Finance, City of Farmers Branch, Texas
- 1:00–2:30 Capital Improvement Program
Michael Daun, Deputy Comptroller, City of Milwaukee, Nicholas Greifer, Kane, McKenna and Associates, Inc. and William Stafford, Evanston Township Schools, IL
- 2:30–2:45 Break
- 2:45–4:00 Implementing the CIP
- 4:00–5:00 Building Economic Development/Redevelopment into the CIP
- 5:00 PM WGFOA Hospitality Suite, Holiday Inn
- 5:30 PM Fireside Dinner Theatre – additional fee for tickets
Buffet dinner at 6:15 pm and *Anything Goes* performed at 8:15 pm
Attendees not attending the dinner theatre should plan dinner on their own

FRIDAY, MAY 16:

- 7:30–8:30 Breakfast buffet
- 8:10–8:30 Using the WGFOA and IGFOA on-line membership tools (optional)
Marianne Shank, IGFOA Executive Director
- 8:30–9:45 Operating Revenues and Expenditure Project Techniques
David Richardson, Village of Streamwood, IL, Kathryn Booth, Retired from the Village of Bartlett, IL, and Robert Scott, City of Brookfield, WI
- 9:45–10:00 Break
- 10:00–11:15 Budget Award Criteria NACSLB Standards/Recommendations
Cary Tessmann, Waukesha County Technical College, WI
- 11:15–Noon Budget Document Preparation and Presentation/Popular Reports
Kathryn Booth, Retired from the Village of Bartlett, IL
- Noon Adjourn



**Illinois
Government
Finance
Officers
Association**

NIU Naperville Campus
1120 E. Diehl Road
Naperville, IL 60563-9347

Inside:

Report to the Members

2007 highlights and achievements

Pension news

Conference sneak peak... and more!

2008 IGFOA calendar

Illinois Public Pension Institute with keynote speaker Girard Miller

Friday, April 25, NIU Naperville

See page 10 for details

Basic Debt Management Seminar

Thursday, May 1, NIU Naperville

Joint Conference on Strategic Planning, Performance Measurement, Capital Planning and Budgeting presented by Illinois and Wisconsin GFOA

Thursday, May 15 and Friday, May 16

Janesville, Wisconsin

See page 11 for details

Chicago Metro Chapter luncheon

Friday, May 9, Oak Brook Bath & Tennis

South Metro Chapter Golf Outing

Friday, June 6, Bolingbrook

IGFOA Southern Regional Luncheon

Friday, June 6, Carbondale

Illinois Reception at national GFOA Conference

Sunday, June 15, Ft. Lauderdale, FL

Utility Billing Seminar

Thursday, June 26, NIU Naperville

Basic Government Revenue Seminar

Thursday, July 10, NIU Naperville

Downstate and South Metro Chapters Joint Conference

Wednesday and Thursday, July 23 and 24,

Starved Rock Lodge, Utica, IL

Chicago Metro Chapter Networking Day

Thursday, August 14, Bartlett

Public Finance Law Institute

Thursday, August 28, NIU Naperville

Local Government Budgeting 101

for new finance staff, elected officials, staff of other departments

Friday, September 19, NIU Naperville

Understanding Investment Policies Seminar

Thursday, September 25, NIU Naperville

Basic Budgeting for Local Government Seminar

Thursday, October 9, NIU Naperville

Capital Improvement Planning Seminar

Friday, October 10, NIU Naperville

South Metro Chapter Professional Development Seminar

Friday, October 31, location TBA

Local Government Revenue 101

for new finance staff, elected officials and staff of other departments

Thursday, November 6, NIU Naperville

Basic Governmental Accounting

Friday, November 14, NIU Naperville

Payroll Seminar

Thursday, November 11, NIU Naperville

South Metro Chapter Holiday Luncheon

Friday, December 5

Chicago Metro Chapter Holiday luncheon

Thursday, December 11, Maggiano's Schaumburg

**Learning
Connecting
Progressing**

Check www.igfoa.org
for details and registration!