



## ***President's Message*** ***By Jeff Jylkka***

Happy New Year! I hope everyone had happy and healthy holidays. Our fall meeting was a success thanks to the efforts of Chris Hutton, Sal Pandolfo and Linda Savitsky. I would also like to thank our speakers for their time and effort. Our winter meeting, scheduled for February 1<sup>st</sup> at the Rocky Hill Marriott is being co-sponsored with CONNPERLA. The meeting will focus on techniques for costing collective bargaining proposals and agreements. Space is limited, so get your reservations in early. Tom Hamilton (Norwalk) is finalizing the plans for the "Connecticut Event" at the National GFOA Conference in Anaheim, California this June. This year's event will be a Sunday gospel brunch at the House of Blues.

Both the John Walsh Scholarship fund and the NESGFOA are funding scholarships to attend the Advanced Government Finance Institute at the University of Wisconsin from 7/29/2007 - 8/03/2007. The NESGFOA also has two college scholarships available. Please go to [www.gfoact.org](http://www.gfoact.org) to find out more.

I hope to see you at our next meeting and best of luck this budget season.

## ***Accounting Standards Committee*** ***By James Jaskot***

The GASB has issued the following documents since the Fall 2006 Newsletter:

### *GASB Statement 49, Accounting and Financial Reporting for Pollution Remediation Obligations*

On November 30, 2006, the GASB issued a Statement to provided guidance and consistency on environmental clean up. It identifies the circumstances under which a governmental entity would be required to report a liability related to pollution remediation. A government would have to estimate the expected outlays for pollution remediation, using an "expected cash flows" measurement technique, if it knows a site is polluted and any of the following recognition triggers occur: 1) pollution poses an imminent danger to the public or environment and a government has little or no discretion to avoid fixing the problem, 2) a government has violated a pollution prevention-related permit or license, 3) a regulator has identified, or evidence indicates it will identify a government as responsible or potentially responsible for cleaning up pollution, or for paying all or some of the cost of the clean up, 4) a government is named,

or evidence indicates that it will be named, in a lawsuit to compel it to address the pollution, or 5) a government begins or legally obligates itself to begin clean-up or post clean-up activities. Information on pollution obligations associated with clean-up efforts will be required in the notes to the financial statements. The Statement will be effective for financial statements for periods beginning after December 15, 2007, but liabilities should be measured at the beginning of that period so that beginning net assets can be restated. The Statement (Product Code GS49) can be ordered by telephoning the GASB Order Department at 1-800-748-0659, or via the GASB website, [www.gasb.org](http://www.gasb.org).

#### GASB Invitation to Comment (ITC), Fund Balance Reporting and Government Fund Type Definitions

On October 20, 2006, the GASB an ITC to seek public feedback on possible approaches to improving the usefulness of fund balance information and correcting shortcomings in how the current standards are applied. Significant diversity or inconsistency in the manner in which governments report their fund balance information currently exists. The ITC considers how to promote more uniformity in the types of resources reported in specific governmental fund types by clarifying the definitions of those fund types and reporting those resources in the most meaningful way possible. The ITC poses questions regarding preferences among the alternative approaches. The questions can be answered through an Internet-based comment form, mail or email. The ED can be downloaded from the GASB website. The deadline for public comment is January 31, 2007.

#### GASB Exposure Draft (ED), *Pension Disclosures (an amendment of GASB Statements No. 25 and No. 27)*

On December 15, 2006, the GASB issued an ED that would require certain disclosures introduced in the OPEB standards to be applicable to all retirement benefits. The ED can be downloaded from the GASB website. Respondents may use an Internet-based comment form, mail or email. The ED can be downloaded from the GASB website. Comments are due February 28, 2007.

#### GASB ED, *Accounting and Financial Reporting for Intangible Assets*

On December 27, 2006, the GASB issued an ED that would establish accounting and financial reporting guidance for intangible assets, including easements, computer software, water rights, timber rights, patents, and trademarks. The recognition, initial measurement, and amortization of intangible assets are discussed. Respondents may use an Internet-based comment form, mail or email. The ED can be downloaded from the GASB website. Comments are due March 23, 2007.

The following Ed and PV document are still outstanding from previous newsletters.

#### GASB PV document, *Accounting and Financial Reporting for Derivatives*

A PV document, *Accounting and Financial Reporting for Derivatives*, was issued on April 28, 2006. The comment period on the PV concluded on July 28, 2006. Issuance of the resulting ED is scheduled for the first quarter of 2007.

An ED on a proposed Concepts Statement, *Elements of Financial Statements*, was issued on August 14, 2006. The comment period on the ED concluded on November 17, 2006. Issuance of a final Concepts Statement for this project is scheduled to be issued in June 2007.

***John Walsh Scholarship Committee***  
***By Bill Hogan***

The **JOHN T. WALSH** Scholarship is now in its 11th year and has awarded over \$30,000 in awards. This year the committee intends to once again fund an annual scholarship to the GFOA's Advanced Government Finance Institute held each year at the University of Wisconsin. It is awarded to a senior level municipal finance officer who has demonstrated leadership and active participation in the GFOA-CT. Our past winners included Kate Clarke Buch-Darien, Ann Harter-Newington, Alan Desmarais-Manchester, Bob Curry-Meriden and Glen Kloocko-Bristol.

The Institute is a five-day intensive program that provides senior level finance professionals the opportunity to analyze long-term finance issues in an academic environment. This year's seminar will be held **July 29<sup>th</sup>-August 3, 2007**. The Walsh Scholarship will pay for the \$1,850 Institute fee, which includes tuition, housing, meals, books and sponsored activities. Transportation and other costs will not be covered.

**For more information on the *Advanced Government Finance Institute* go to <http://www.gfoa.org>**

Walsh Scholarship information and the application can be accessed on the GFOA-CT Website. The deadline for application is March 1, 2007.

***Board Meeting Minutes***  
***By Linda Savitsky***

- Meeting called to order at 12:10 p.m. **Board members present:** Jeff Jylkka, Jim Jaskot, Robert Curry, Christine Hutton, Sal Pandolfo, Diana Doyle, Lisa Hancock, Alan Desmarais, Richard Darling, Don Miklus, Dena Diorio, Jim Finch, Jeff Smith, Tom Hamilton, Maryanna Stevens, Barbara Bertrand, Jim Wren. **Board members absent:** Mike Walsh, Jan Godley, Ann Harter, Bill Hogan. **Others present:** Linda Savitsky
- **Minutes of November 2, 2006 Meeting** – Before discussion of the minutes, Alan Desmarais made a point to introduce Jim Wren from the Town of Manchester. Jim has volunteered to work on the legislative committee. Jeff Jylkka then made a motion to accept the minutes as presented. Don Miklus seconded the motion. All Board members present and eligible to vote accepted the minutes.
- **Treasurer's Report** – The report was distributed prior to the Board meeting for review. Bob Curry will send an email to the membership to remind them to update their accounts on the website and to pay their dues if they have not already done so. Jeff Jylkka made a motion to approve the Treasurer's report and Lisa Hancock seconded. All Board members that were present and eligible to vote accepted the Treasurer's report.

- **Accounting Standards** – Jim Jaskot updated the Board on recent GASB pronouncements including the new GASB Statement 4, *Accounting and Financial Reporting for Pollution Remediation Obligations*. He mentioned that he had posted a draft response to the proposed concepts statement, *Elements of Financial Statements*, on the message board in the “members only” section of the GFOACT website.
- **Auditing** – No report.
- **Education** -- Diana Doyle noted that they were still waiting for the materials from GFOA for the “Accounting Boot Camp” to share with the Board. Linda Savitsky stated that the GFOA GAAP update was sponsored by GFOACT at Renselaer Polytechnic Institute on November 9, 2006. There will be another GFOA presentation on “Customer Service” there if the Board chooses to sponsor this as well. She raised concerns that costs may not be covered if there is not enough participation, however other groups beside GFOACT, including other State organizations and ICMA members, may be solicited as well. Lisa Hancock made a motion to sponsor the GFOA “Customer Service” presentation at Renselier, regardless of the head count. Seconded by Sal Pandolfo; all Board members that were present and eligible to vote were in favor of the motion.
- **Historian Report** – Jim Reynolds was able to provide the names of the past presidents that had not been listed.
- **Website Update** – In addition to emailing the membership about dues and updating accounts, as noted above under the Treasurer’s Report, Bob Curry will also mention the potential of the message board on the website and that registration is open for the 2007 National GFOA conference in Anaheim, California, June 10-13.
- **John Walsh Scholarship** – Alan Desmarais suggested starting the scholarship award process earlier. He will discuss the matter with Bill Hogan.
- **Legislative** – Jim Finch re-introduced Jim Wren who has accepted to work on the legislative Committee this year.
- **Membership** – Sal reported that as of the day of the meeting there were 270 members that had paid dues.
- **National Event** – Tom Hamilton gave an update on plans for the National GFOA conference in Anaheim, California. He mentioned the possibility of “House of Blues Gospel Brunch”. The conference in Montreal netted a \$3,000 loss last year, and that it is hoped this year would at least break even.
- **Newsletter** – Dena Diorio noted that the winter newsletter would be distributed on January 26, 2007. She urged all contributors to submit their materials by January 17, 2007.
- **Program** – Tom Hamilton talked about the possibility of a presentation on contract costs, specifically the effects of labor increases on pension, OPEB, social security, Medicare, and other employee benefits. He mentioned that a study was done for a Town that he worked in and that it was very enlightening. Members of non-GFOA organizations might be interested as well. Possibly a program could be presented either before or during a GFOA meeting.
- **New England Conference Update** – Don Miklus reported that the dates for the 2007 New England conference in Vermont were already set and could not be changed even though they conflict with religious holidays. Linda stated that these conferences are “big business” and that preliminary results of the conference at Foxwoods were \$15,000 to \$17,000 in the black. Jeff Smith and Alan Desmarais thanked all the volunteers for their help in making this such a successful conference.
- **New Business** – None

- **Correspondence and Communication** – None
- Meeting was adjourned at 1:35 p.m. Jeff Jylkka thanked Sal Pandolfo for securing The Inn at Middletown for the Holiday Luncheon / Board meeting. Jeff made the motion to adjourn Lisa Hancock seconded; all Board members that were present and eligible to vote were in favor of the motion.

### ***Other Important Information***

#### **Reminder!**

Dues must be paid by **February 15, 2007**. The membership application is on the website: [www.gfoact.org](http://www.gfoact.org). Please print the application and mail with **\$60** check to Sal Pandolfo, Treasurer. If dues are not paid by that date, access will be denied to the “members only” section of the website.

#### **Wanted!!**

Volunteer instructors willing to teach a Basic Accounting Class (app. 5-6 week ½ day) starting this spring. Location will be determined by the Education Committee based upon interest. Please submit your name and availability to Linda Savitsky at [Lr\\_savitsky@snet.net](mailto:Lr_savitsky@snet.net) by February 15.

#### **Annual Conference**

Registration is now open for the Annual GFOA conference in Anaheim, California from June 10-13, 2007. Details are located at [www.gfoa.org](http://www.gfoa.org)

#### **Training**

The GFOA has announced a new Live Satellite Training Course:  
Using e-Government and CRM Systems for Improving Efficiency and Service to Citizens

Tuesday, May 8, 2007

1:00 p.m. - 5:00 p.m. (EST)

4 CPE credits

GFOA will be hosting this conference at Rensselaer at Hartford. Details will be forthcoming. Check the website.