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Presidents Message

Presidents Message

Thanks to all who attended the PDC on March 30, 2010. Including speakers we had over 200 attendees which are the most we have had for several years. I want to thank the IIA and AGA members who helped make the PDC a success. The IIA PDC committee members were: Stacey Bliesener, Rick Lowe and Doug Ringler. The AGA PDC committee members were Hollie Dietz, Heather Hammond, Cindy Johnson, Susan Saari, Tim Becker, Tim Martin, and Dan Wawiernia.

Please take a few minutes and take the 16th annual AGA CFO survey. You can find the link to the survey on the AGA national website at www.agacgfm.org. This year's topics cover financial management, operations and reporting (including for the Recovery Act). Results will be presented at AGA's Professional Development Conference this July in Orlando. At the end of the survey you can choose to have a copy of the report sent to you.

I would like to remember a fellow AGA member and friend, Ed Nierescher. Ed passed away on March 5, 2010 after a long illness. He was a certified government financial manager who worked as an accountant for the State of Michigan, Department of Management and Budget since 2002. Ed was active in our chapter and in the AGA Ohio-Michigan Region. He served as chapter community service chair, chapter president-elect, chapter president and chapter past president. Ed was regional coordinator for CGFM. Ed enjoyed his lake property at Fair Lake in Delton, Michigan where he faithfully fished. He loved sports, particularly MSU Hockey and the Red Wings.

Sincerely,



Corey Sparks, CPA

2009-2010

AGA - Greater Lansing Chapter
Officers and Committee Chairpersons

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Awards and Nominations

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Community Service

Jean Young (336-7458)
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2009/2010 AUDIO CONFERENCE SCHEDULE

All audio conferences start at 1:50 p.m. and ends at 4:00 p.m.

Online registration is open for all audio conferences

Audio conferences are FREE to members and \$15.00 to nonmembers.

<u>Date</u>	<u>Audio Conference</u>
April 21, 2010	The Latest Tools and Techniques for Auditors
May 19, 2010	Ethics

Reason No. 5 to be an AGA Member

Be Represented by an Industry Leader. AGA has led the accountability industry in providing education about the American Recovery and Reinvestment Act. AGA's Partnership for Intergovernmental Management and Accountability is working out thorny issues facing all three levels of government. AGA's Corporate Partner Advisory Group has produced 23 research reports. AGA's Financial Management Standards Board comments on every new accounting standard proposal. AGA's performance and accountability programs are improving transparency across all governments. No one can do this alone. AGA members have represented a strong, unified voice since 1950.

Call for Nominations for National Awards



2010 Call for National Award Nominations

AGA's National Awards Committee is now accepting nominations for our 13 National Awards that recognize the leaders advancing our profession and setting the standards of excellence:

- Robert W. King Memorial Award
- Einhorn-Gary Award
- Frank Greathouse Distinguished Leadership Award
- Achievement of the Year Award
- Educator Award
- Cornelius E. Tierney/Ernst & Young Research Award
- Chapter Education Award
- Chapter Service Award
- Community Service Award
- International Achievement Award
- Chapter CGFM Award
- Emerging Leader Award of Excellence
- Regional Coordinator Award

These awards will be presented during AGA's 58th Annual Professional Development Conference and Exposition in Orlando, July 11–14, 2010. In many cases, individuals do not have to be members of AGA to be eligible. All nominations are due by **Friday, April 16, 2010**. Nomination forms are available online. For more information, contact Louise Kapelewski.

Fourth Annual National Community Service Project in New Orleans April 27-30

By AGA Past National President Jeffrey S. Hart, CGFM, CFE

Our 4th Annual National Community Service Project is scheduled for Tuesday through Friday, April 27-30, 2010, again sandwiched between the two weekends of the New Orleans Jazz and Heritage Festival (which provides another great reason to visit the city!). By the way, in addition to jazz and great food, the 2010 festival will feature many “pop” stars including Simon & Garfunkel, Pearl Jam, Aretha Franklin, Van Morrison, Lionel Ritchie, and Anita Baker. Check out the details at <http://www.nojazzfest.com/>

To help keep participants’ costs down, we have again arranged a limited number of rooms in the beautiful, new University of New Orleans dormitory (actually two and four bedroom furnished apartments) with a rate of only \$30/night/person. These rooms are first-come, first-served, so please let me know right away if you’d like to take advantage of this great deal. In past years, our New Orleans chapter members have also graciously delivered a delicious catered lunch to the worksite each day, so your other expenses will be minimal. Chapters have also helped keep participants’ costs down by sponsoring one or more members’ travel expenses.

While the Saints won the Superbowl this year which I understand did wonders to rekindle local spirits, the people of New Orleans will clearly need our help for some years to come. Over 2,000 families were to be evicted from their 300-square-foot FEMA trailers last May according to the local newspaper. By one estimate, as many as 20,000 buildings in the city remain uninhabitable after the pair of 2005 hurricanes devastated New Orleans and the Gulf Coast.

Fifty AGA members, family members, and friends participated in the Third-and-a-half Annual National Community Service project in New Orleans’ 9th Ward last June 25th, the day after the New Orleans PDC ended. 2009 represented the third consecutive year, and the second time in 2009, that AGA members and their family and friends contributed their time to build houses in and around “Musicians’ Village” with Habitat for Humanity for victims of Hurricane Katrina. One of the highlights was connecting again with Nat Franklin, the owner of the first home we worked on over two years ago. Nat and other musician-home owners of Habitat’s Musicians’ Village treated us all to a lunchtime concert and traditional crayfish boil right in front of Nat’s home, and again entertained us at a reception at the PDC sponsored by our friends at Savantage. See my photos at http://www.kodakgallery.com/ShareLanding.action?c=xniceqx.4ocepib1&x=0&y=-q3f83q&localeid=en_US&cm_mmc=site_email_-_site_share_-_core_-_view_photos_album or Wendy Papagjika’s at <http://www.flickr.com/photos/37473170@N06/sets/72157621155506990/show/>

You can also see my photos from our week-long April 2009 Habitat project in New Orleans at http://www.kodakgallery.com/ShareLanding.action?c=xniceqx.7lmku4el&x=0&y=vvgbr1&localeid=en_US&cm_mmc=site_email_-_site_share_-_core_-_view_photos_album.

The lack of adequate, affordable housing is a pressing need in many places across our country, especially in this tough economy with many families suffering job loses and foreclosure. Therefore, I was planning to organize a similar one-day Habitat build project on the day after the Orlando and all subsequent PDCs as long as I am able. However, the Orlando Habitat chapter is a much smaller operation, and they already have another group booked the day after our 2010 PDC. So, I am looking for another similar organization that can put us to work in Orlando.

In the meantime, please let me know ASAP if you can join us in New Orleans. Watch right here in *Topics* for more details, or contact me at 303.312.6169 or hart.jeff@epa.gov.

Minutes of Chapter Executive Committee – AGA Greater Lansing Chapter

Location – Lewis Cass Bldg

Date March 10, 2010

CEC members present: Tim Becker, Debbie Brady, Deb Christopherson, Hollie Dietz, Marian Frane, Heather Hammond, Marion Hart, Cindy Johnson, Tim Martin, Charlotte Roper, Corey Sparks, and Dan Wawiernia.

CEC members not present: Susan Saari, Duane Smiley and Jean Young.

Call to order: 12:03 P.M.

Acceptance of Agenda: Motion to accept agenda, seconded and approved

Website –Seems to be working fine, no one has mentioned any issues.

Approvals of Prior Meeting minutes – January minutes were approved on March 1st.

Treasurer’s Report and Budget –Motion was made and seconded to approve \$1,183.80 of February disbursements; motion carried. Motion was made and seconded to accept financials, motion carried.

Community Service – No update, remember Food Bank project for conference.

Education – March conference scheduled for 30th at LCC west with IIA. Registration is available on-line. Over 100 registered to date

Awards – Award recipients have been selected. Marian needs someone to pick up awards. Tim Martin can pick-up and pay for them.

Programs – April and May are still pending.

Communications - Check on-line calendar for due date.

Membership –. Drawing for membership drive, checks will be sent to winners since not attending seminar. **Dues renewal due March 31.**

CGFM certification and audio conferences –Finishing up work for proclamations. Considering not continuing hosting NASACT audio/webcasts due to technical issues at their recent webcasts. Next audio in April.

Old Business –Billy Morehead visit. Will send e-mail to our CEC as well as Detroit and West Michigan inviting to dinner with Billy on Monday prior to PDC.

New Business- None.

Adjournment –Motion made, seconded and passed. Meeting adjourned at 1:08.

Next meeting – April 14th 11:45AM, Lewis Cass Building.



MEMBERSHIP CORNER



AGA Greater Lansing Chapter Celebrates Members' Anniversaries

22 Years

Mrs. Therese Ann Regner, CGFM Apr 14

17 Years

Mrs. Lisa L. Mazure, CGFM Apr 22

5 Years

Mr. David Quigley Apr 01
Ms. Fern Wilson Apr 01

4 Years

Mrs. Charlotte Roper, CGFM Apr 01
Ms. Jean M. Young Apr 01

2 Years

Mr. Matt T. Gardner Apr 01

1 Year

Mr. Shaun Hazen Apr 01
Mrs. Angela L. Richards Apr 01

AGA/IIA Spring Development Conference

The Greater Lansing AGA Chapter and the Lansing Chapter of the Institute of Internal Auditors had over 200 attendees at the Spring Professional Development Seminar held on March 30, 2010, at the Lansing Community College West Campus. Thank you to all attendees and guest speakers for making this seminar a success. Topics included the Ethics 101 and Think Big! Act Courageously! Make a Difference! presented by AGA National President Billy Morehead, Auditing 101 presented by Doug Ringler and Bryan Weiler, The Facts about Medicaid Fraud presented by Wallace Hart, Public Education in Governance presented by Jill Roof, ARRA Compliance and Controls presented by Susan Ragland, Bev Stafford and April Karns, and Innovative Service Delivery presented by Lynn Draschil. Special thanks to Plante & Moran for their sponsorship of the conference.

Chapter Awards Presented at the Spring PDC

Professional Development Award

Charlotte Roper was nominated by Cindy Johnson for the Professional Development Award. Charlotte has been involved in presenting the AGA Greater Lansing Chapter's audio conference program for two years. This requires a special dedication to provide this valuable educational service month after month to our members. The chapter depends on this program to provide many hours of low cost continuing education.

Charlotte earned her CGFM and is committed to continuing to grow in her profession, setting an example for others.

Community Service Award

Jane R. Wallin is the recipient for this year's Community Service Award. Jane is a charter member of the AGA Greater Lansing chapter. She works and volunteers at the following: Elected Park Commissioner in Delhi Township since 1988, an occasional election worker and on the Board of Review for Delhi Township. This past year Jane organized the Sam Corey Senior Center Club and was elected Treasurer. She is on the Board of Directors for the Holt Kiwanis Club. Jane was Chairperson of the Finance Committee of the Lansing Chapter of the State Employee Retirees Association for many years until 12/31/09, and a past Treasurer. She currently serves as the Chair of the Finance Committee of the Michigan SERA Council. The Michigan SERA Council is made up of all the SERA chapters in Michigan. Jane also serves as Chairperson of the Constitution and Bylaws Committee of the Michigan Association of Governmental Employees, OPEIU Local 2002, and was Treasurer for 20 years.

Government Financial Manager of the Year

The MDOT Finance Bond Team of Myron Frierson, Ed Timpf and Ann Dennis were nominated by MDOT Director Kirk Steudle and MDOT Chief Administrative Officer for their extraordinary work on the MDOT \$2.5 billion bond portfolio in 2009. During this last year, they used a number of advanced and sophisticated financial techniques, including some that were the first in the nation, to lower the state's borrowing costs and save taxpayers millions on major transportation programs. Specifically, they accomplished the following:

- Comprehensive Transportation Fund (CTF) Debt Service Restructuring was completed May 13, 2009. The department issued \$42,335,000 in bonds with maturities ranging from 3-10 years and an average yield of 3.89 percent. The transaction reduced CTF debt service for the next three years approximately \$41 million that can be used to offset declines in CTF revenues and accelerate transit and rail projects.
- Jobs Today and 2008 Economic Stimulus Grant Financing was completed June 25, 2009. To reduce overall debt service cost, the department issued \$281,910,000 in taxable bonds under the Build America Bond (BAB) Program supported by anticipated revenues from Federal Highway Administration (FHWA). The Build America Bond Program provides for municipal bond issuers to receive from the U. S. Treasury a 35 percent interest rebate on debt service payments. The bonds were structured that longest maturity is 18 years and the majority of the principle is payable in the last four years. The average yield is 7.69 percent, however, after 35 percent federal rebate, the net yield is approximately 5.0 percent. The net yield on these bonds is approximately .45 percent lower than if traditional tax-exempt bonds were issued and will result in a \$21.7 million savings in debt service costs over the life of the bonds. The department was the first in the nation to issue BABs using federal aid as the funding source.
- The department also enhanced the credit by increasing debt service coverage ratio from 1.5X to 3.0X, this change resulted in bonds being rated double A versus single A, which was the rating given to the department's 2007 Grant Anticipation Bonds. The move from single A to double AA resulted in an additional savings of approximately \$20 million over the life of the bonds. Issuing BAB bonds and increasing the credit rating on the bonds decreased total debt service by approximately 6.5 percent.
- State Trunk Line Refunding was completed November 3, 2009. Consistent with the recommendation of the TF2 that MDOT aggressively manage its \$2.5 billion debt portfolio to ensure effective use of debt financing, the department routinely monitors market conditions for refunding opportunities. The department issued \$146.6 million in bonds to reduce overall debt service costs and provide near-term cash for its capital program. The debt issue has an effective interest rate of 4.49 percent and provides \$4 million in cash in FY 2010 to support the capital program. The \$4 million will allow the department to match \$16 million in federal aid.
- The present value of total savings from the bond issue is \$5.9 million which represents 3.99 percent of the refunded bonds which exceed the STC minimum present value saving threshold of 3.0 percent.

In addition, this same team has been one of the first Accounting Service Centers in the state to absorb another department, the Dept. of Agriculture, and consolidate and streamline their accounting operations as mandated by the Governor's Executive Directive. The team accomplished the consolidation in a seamless manner with considerable planning and careful collaboration with the Dept. of Agriculture.

All three members of the team are certified public accountants and they have over 80 years of combined financial management experience in state government, serving in numerous departments over the years, in both audit and finance positions. All three have been active in local accounting and auditing societies and associations.

In summary, this team provided outstanding leadership and found creative ways to save the state millions of dollars in borrowing funds in the private credit markets to fund some of the largest transportation programs in the state's history. They are also the state's leaders in consolidating accounting services. They are truly extraordinary and dedicated public servants with top-notch financial management skills that they employ every day to serve Michigan's citizens at the highest levels possible.



Financials



**Association of Government Accountants - Lansing Chapter
Chapter Financial Update
March 31, 2010**

ASSETS:

	March - 10	February - 10
Current assets:		
Checking	\$ 4,824.31	\$ 3,367.40
Time Deposits	5,181.71	5,181.71
Prepaid Expenses	0	0
Accounts Receivable	0	0
TOTAL ASSETS	\$ 10,006.02	\$ 8,549.11

LIABILITIES AND NET ASSETS

Accounts Payable	\$ 0.00	\$ 0.00
Total Accounts Payable	\$ 0.00	\$ 0.00
Unrestricted Fund Balance - Beginning of year	\$ 8,549.11	\$ 9,299.59
TYD Income (Loss)	\$ 1,456.91	(\$ 750.48)
Unrestricted Fund Balance - End of period	\$ 10,006.02	\$ 8,549.11
TOTAL LIABILITIES AND FUND BALANCE	\$ 10,006.02	\$ 8,549.11