

OGFOA UPDATE

SPRING 2017

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A MESSAGE FROM THE PRESIDENT

By Tod Burton



Greetings All!

It is an honor to serve as your 2017-18 OGFOA President. Thank you for your trust. I am proud to be part of long tradition of leadership in this organization. Hats off to President Don Hudson, the Board of Directors, the OGFOA committees, sponsors, exhibitors, and of course, you - our members - for another productive year. We are an association of volunteers guided by the capable hands of Misty Slagle and the staff at Western Advocates. Without everyone's involvement and support we could not be what we are today. Let's keep up the great work!

Our Spring Conference at Salishan Lodge seemed to just BLOW by. And yes, that was a pun intended... I hope everyone in attendance enjoyed the educational offerings and fellowship. I especially enjoyed the Treasury Best Practices and Demystifying the Banking Services RFP session while tornado-like conditions were on display outside just behind the speakers. Great concentration by our presenters while Dorothy's house flew by...

A big thanks to the Education, Hospitality and Certification committees for another terrific program. Please provide your feedback through the post-conference survey; I assure you - the Board takes your comments very seriously.

Most session content concepts and speaker suggestions come from you. Please pass on your ideas by reaching out to Education Committee Chair Roger Dawes, the Board or me so we can pursue them for future conference programming.

When I served as Education Committee Chair I always called on Carol Samuels for assistance. The latest in a long line of her educational program ideas was on display at the Spring Conference. It focused on PERS, a topic those of us who serve as finance officers for PERS employers are exceedingly concerned about.

- Executive Director of PERS Steve Rodeman discussed the many challenges facing PERS and participating employers now and going forward
- Treasury's Chief Investment Officer, John Skjervem, provided an under the hood peek on how PERS funds are invested in everything from traditional investments to private equity opportunities

continued on next page

I hope you found it a fascinating and candid session. Thank you Carol, Steve and John for offering such an informative program to close the spring conference.

I also wish to thank Christine Reynolds for arranging the visit by newly elected Treasurer Tobias Read and Don Hudson for asking Dr. Jim Moore to discuss how the pundits got it wrong in the 2016 election. Finally, it was terrific to hear from a most energetic Emily Brock, GFOA's Federal Liaison, who is keeping an eye on things in DC. This was Emily's first visit to Oregon and I understand she plans come back.

On the subject of great ideas - Lisa Young, Craig Gibbons and Matt Brown facilitated a most excellent discussion with our small jurisdiction members asking for feedback on how OGFOA can better serve their needs. We heard suggestions such as providing more back-to-the basics offerings, regional trainings, forming more regional finance officers' groups and mentoring. The Board will be following up on these issues and, to this end, I have asked Craig to serve as a Small Jurisdiction liaison on the Board so we can develop some of these ideas into action.

Looking ahead I have a couple of more ambitions for OGFOA, one of which I stole directly from CEO Mark Knudson at Tualatin Valley Water. Before each Board meeting, conference general session, and even in this newsletter (see the Go for a Walk Everyday article) we will pause for a moment of mindfulness with a "health minute." Just a quick time-out to think about our physical and spiritual health as we embark on each day...

I have not fully developed our theme for the 2018 Spring Conference but count on it to cover personal as well as financial fitness.

Secondly, I will be looking to the Board and membership to come up with ways that OGFOA can continue to leverage the expertise of our most "seasoned" (did you see how I avoided the label old?) members. The demographics are clear - we are facing a lot of retirements and will continue to see decades of experience walk out the door. What role can OGFOA have in connecting jurisdictions with our newly retired colleagues interested in helping out with part-time work, consulting, and special project support? That is what I would like to find out.

There is a lot to look forward to indeed. We have the GFOA Conference in Denver (May 21-24). I hope to see many of you there. It will be an opportunity to recognize our very own Marc Gonzales as he concludes his year as GFOA President. Thank you Marc for attending and presenting at both OGFOA Conferences this year. Your leadership and passion for our profession is a model for us all.

I also look forward to representing OGFOA to our colleagues in Washington, Alaska and California by attending their state conferences. We were thrilled to host Adi Ariwoola, Carmen Randle and Drew Corbett in Salishan. We were certainly entertained by their remarks during the business meeting. More importantly, we can learn more by expanding OGFOA's reach beyond our borders.

It is not too early to mark your calendars for OGFOA's Fall Conference - October 9-11 at the Lloyd Center DoubleTree in Portland. The Board and Education Committee are already hard at work and have confirmed some truly outstanding and topical speakers. Who are they you ask? Stay tuned...

Again it is a privilege to be part of OGFOA. Thanks for this opportunity to serve.

Tod Burton

OGFOA President

PAST PRESIDENT'S MESSAGE

By Don Hudson



Wow, that year went fast!! It was quite an honor to serve as your President for the last year and it was with mixed emotions that I turned the gavel over to Tod Burton at our annual business meeting last month. On one hand, I felt that I had other things I hoped to accomplish during the year but, on the other hand, I am looking forward to the next year - being involved with the Board of Directors but with someone else running the meetings. I hope you feel that I served our organization well during my year as President.

I could not have done it alone - I had a great group of board members working with me this past year. I want to offer all of them my sincerest appreciation for the energy and hours they put into our organization. I wish you all could see the amount of effort and dedication each board member brings to the table. It was truly remarkable to be able to work with each and every one of them.

Speaking of people who supported me this past year, it was my incredible honor to recognize two individuals that helped me immensely during my year as President, as well as all the time I have been on the board. The President's Award is presented at the discretion of the President, given to an individual who had an impact on the President. I could not have done half of what I did during my time on the Board without both of these individuals.

First, our Association Manager, Misty Slagle. I am sure most of you are aware of a lot of the things that Misty does for OGFOA. What our members do not see are all the little things that Misty does for us. She truly has a special place for OGFOA and everything she does is in the best interests of our organization. So many times I would think of something and she was already many steps ahead of me making it happen. We are truly fortunate to have Misty as our Association Manager.

Many of you know my second honoree from her years of service to OGFOA on committees and as a conference presenter: my wife, Susan Cole. Susan has supported me through two significant health issues during my time on the board and has been a rock when I needed it most. She also acted as a sounding board for ideas before I took them to the Board. I am very fortunate to have such a caring and intelligent person to support me, personally and professionally.

This past year also provided me with the opportunity to represent our organization at the GFOA Conference in Toronto, as well as at the conferences of our sister organizations in Alaska, California and Washington. It was an honor to be able to visit these states, while bragging about OGFOA and all we do here in Oregon. I also developed friendships and had experiences in my travels that I will cherish for a long time. It is a wonderful thing to be able to see how others in our industry do things and bring some ideas back to Oregon at the same time.

Thanks again for giving me the opportunity to serve as the 2016-17 OGFOA President. It was quite an honor to be able to serve the membership of a strong, vibrant organization. From our regular members, to our associate members, you all are what make OGFOA an outstanding organization. Thanks for all you do and I am looking forward to the continued excellence of OGFOA.

Thank you

Don Hudson

OGFOA Past President

A DYNAMIC DUO HONORED WITH THE HONORARY LIFE MEMBERSHIP AWARD

By Don Hudson

At the Business Meeting held during the Spring Conference last month, I had the honor of recognizing two individuals - Jeff White and Roger Dawes - with the Honorary Life Membership Award. It was rather fitting that they were honored together as they were the leadership team that steered the OGFOA through an unusual circumstance a few years back.

Their friendship grew as OGFOA faced a dilemma: in late 2011, no qualified applicants for the position of President-Elect emerged, a situation that our by-laws did not provide for. Jeff, then President, and Roger, President-Elect, worked through this situation with the assistance of legal counsel. The resolution was for each to maintain their positions for a second year. In essence, they shared the presidency that year, providing an extra year of significant service to the association with their usual skill, good humor and steadfast commitment to the membership.

Jeff and Roger also share a similar career path - starting out as auditors then moving into city government and, most recently, transitioning to county government at about the same time. Beyond their lauded careers, it's their caring, concern and heartfelt commitment to OGFOA that makes them extremely worthy of being honored with the Honorary Life Membership Award.

AN INVITATION TO PARTICIPATE IN LOCAL GOVERNMENT ACCOUNTING RESEARCH

By Casey Camors, prior Finance Director for the City of Milwaukie and current PhD candidate at Texas Tech University

After a successful career in governmental accounting, I left Oregon to pursue a Ph.D. in accounting. It is my belief that I can contribute most to the public sector by researching governmental accounting, communicating those results to the public sector, and educating students on the benefits of governmental accounting. This multifaceted mission is going to take more than little old me. I need your help. The public sector, and wonderful organizations like OGFOA, will make all the difference in the success of this mission.

I invite you to participate in a survey on your local government's finances (estimated to take 30 minutes - details noted below). If you are interested in participating, responses by Friday, May 12, 2017, will be greatly appreciated.

BACKGROUND

In 2013, the United States Census Bureau reported in the State and Local Government Finance Snapshot that the public sector represents 17.7 percent of the total U.S. economy, including federal, state and local, and chartered bodies. Furthermore, the Census Bureau in 2014 reported that approximately 90,000 state and local governments were operating in 2013, employing more than 16 million individuals; in 2012, it reported that of the \$3.1 trillion in state and local government revenue, tax revenue represented \$1.4 trillion, including personal and corporate income tax, sales and gross receipts tax, and property tax. Also in 2012, it reported that state and local governments expended \$3.2 trillion on education, public safety, public welfare, utility systems, highways, housing and community services, libraries, natural resources, parks and recreation, general administration, debt, and other programs. Thus, the public sector is responsible for a significant portion of the U.S. economy, U.S. employment, and the development, operation, and stabilization of U.S. communities.

Though the financial standing of U.S. state and local governments has improved substantially since 2011, many local governments continue to grapple with severe revenue shortfalls as remnants from the Great Recession, as reported by the Government Accountability Office (GAO) 2015 State and Local Governments' Fiscal Outlook report, primarily due to falling property tax collections and



state government assistance, while being faced with increasing pension benefit and other costs. The GAO suggests that such adverse economic conditions will likely continue for another fifty years barring substantial policy changes by state and local governments.

THE STUDY

Accounting research has provided the academic community with ample information regarding private sector manager characteristics and related associations with accounting measures. However, the public sector, which represents a substantial portion of the total U.S. economy, remains vastly unexamined and little to nothing is known about public sector managers.

Your role in this study will involve responding to survey questions (survey address below). Be assured that all responses will be held in strict confidence and your participation is voluntary. The survey should take around 30 minutes total to complete. Please have your budget documents and annual financial statements available, as this will expedite completion of the survey.



Findings from this research study will contribute to a better understanding of local government finances, will be useful to the accounting research community, as well as help me as I progress toward graduation.

The anonymous research study link is as follows
http://ttu.az1.qualtrics.com/jfe/form/SV_bq5ZDrvRAWF4T41.

Thank you very much for your consideration!

QUOTE OF THE QUARTER

"Try not to become a man of success,
but rather try to become a man of value."

Albert Einstein

2017-18 BOARD MEMBERS

Tod Burton, President
Tualatin Valley Water District
todb@twd.org

Dean Baugh, President Elect
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OGFOA CERTIFICATION MAINTENANCE TESTIMONIAL

By **Bev Manfredo, Finance Director for the City of Tangent**

I am probably an anomaly since I am nearing retirement and still seek to maintain my certification as Finance Director through OGFOA. The reason I am still maintaining my certification is really for personal reasons instead of professional. Even though I have always strived to reach the top of the accounting profession which I believe the OGFOA certification program inspires, I have always felt that I put off the educational portion of my career.

Prior to public service I worked in the private sector for over 20 years and hadn't completed my Associate's or Bachelor's degrees until the year before I began my job at the City of Tangent. Accounting was always easy for me from the time I was in high school and I had always found jobs that I could work my way into the accounting department. I even became the Accounting Manager at a multi-million dollar company before finding my way into governmental accounting.

Getting my certification - and maintaining it - has become a badge of honor for me. Before I always felt like I was bluffing my way through jobs - this was not the case, of course! Even though this will probably (hopefully) be my final job before retiring, I also want to show my daughter that with perseverance you can achieve anything your heart desires and it is working!

OGFOA CERTIFICATION PROGRAM

By **Ellie Jones, Accounting Manager at the City of Cornelius**

Congratulations to the OGFOA members who were recognized at the 2017 Spring Conference in Salishan for their various achievements related to the OGFOA Certification Program.

The following individuals have met the criteria for initial admission into the Certification Program:

Cindy Chauran, City of Stayton

Gloria Butsch, City of Independence

They will have four years (until December 31, 2020) to obtain the 145 points needed for certification.

The following individuals completed the requirements for their initial certification as of December 31, 2016 and were awarded a handsome plaque to commemorate this achievement:

Brandie McNamee, Jefferson County

Kari Kurtz, City of Hubbard

Lori Hooper, City of Prineville

Mike Crocker, City of Junction City

Mike Crocker, City of Junction City

Perry Grier, Marion County

The award for completion of the Certification Program honors the time and effort that these individuals have put into their continuing education, as well as recognizing the contributions that they have made to OGFOA through participation on the Board, committees, and/or as presenters/trainers.

Once certification is achieved it must be maintained by accruing 65 points in specific categories every two years. The following OGFOA members have completed the requirements for maintenance during 2015 and 2016, and are certified through December 31, 2018.

Bev Manfredo, City of Tangent

Brenda Baldovino, Rogue Valley Sewer Services

Janell Howard, City of Brookings

Jeff White, Marion County

Julie Blums, City of Canby

Kate Mast (newly retired)

Nancy Edwards, Columbia 911 Communications District

Achieving certification provides recognition of dedication to continuing education, personal and professional development, and excellence in government finance. Not only is there personal satisfaction in this recognition, but the finance staff, governing bodies, and citizens of the entities that employ these dedicated public servants also benefit. Certification enhances an employee's value and credibility with their governing body and citizens. As a bonus, all Certification Program participants in good standing will receive a \$25.00 discount on registration fees for OGFOA's Annual Conference and Northwest Government Finance Institute each year.

The OGFOA Certification Program materials are available on the OGFOA website at www.ogfoa.org. If, after reading through the information, you have any questions about the program, please contact our Association Manager at misty@westernadvocates.com or any of the Certification Committee members listed on the website.

Welcome to the new members of the Certification Program, and congratulations to those members who devoted time and effort to achieve or maintain their certification in 2016!!



OGFOA SPRING CONFERENCE RECAP

By Dean Baugh, OGFOA President-Elect

Ah its spring and we're all hoping the rain will end soon and you can get out and enjoy what Oregon has to offer, plant your garden, work in the flower beds or just go for long walks. It also means most of us are done with our audits and starting to work on the FY2017/18 budget documents. And we just got back from a GREAT OGFOA Spring conference at Salishan. If you were unable to attend the conference you missed a great opportunity to network with the vendors, sponsors, and your peers in municipal finance.

The Conference and Educational Committees did a great job providing a wide range of educational options, with a total of 43.5 CPE credits available to choose from. The Hospitality Committee was there to meet attendees at the registration desk and welcome the first-time attenders and new members. Of course, who could forget the sponsors and exhibitors who without their participation and support help make the conference possible. And then there is Western Advocates-Misty and Kelly, what more can I say, they were there to make sure everything ran smoothly.

We tried something new on Sunday before the reception, the Membership committee had a special time for new members and first time attendees to register. Don gave a great welcome and introduction to OGFOA talk. Introductions were made with the Board, Misty and her crew, as well as with all the committee members present. Then they were given a tour of the facilities. (Remember back to your first conference when you didn't know anyone and couldn't find anything☺) When you're at the next conference and you see one of those new members or first time attendee name tags go introduce yourself and make them feel welcome.

Deena Ebbert was the opening presenter on the FISH Philosophy:

- Play (enjoy what you do, Always)
- Be There (when you're talking to a customer or co-worker be in the conversation not thinking about something else)
- Make their day (interact with the customer, communication)
- Choose Your Attitude (get up in the morning and tell yourself this is going to be a good day, and keep a smile on your face).

Attitude is the key: choose a good attitude and don't let anyone take it away from you.

Our speaker for lunch on Monday was Tobias Read our new Oregon State Treasurer. This was a quick introduction. He talked about some of the items that have come up in the first few months of office.

On Tuesday morning, we brought back Dr. Moore with Pacific University Tom McCall Center for Policy Innovation; the topic was, "How did the impossible happen?" If you remember back to the fall conference he explained to us which way the election was going to go, based on the statistics. We received a great lesson on polls, the way we read them and the way they take them - maybe they will have it figured out by the next election.

Tuesday's lunch we held our annual business meeting, wanted to send out congratulations to the following new board members:

President	Tod Burton, Tualatin Valley Water District
President Elect	Dean Baugh, City of Lebanon
Director	Susan Brown, City of Gresham
Associate Director	Carol Samuels, Piper Jaffray
Director at Large	Gloria Bush, City of Independence



We honored Jeff White and Don Hudson as Honorary Life Members for all their contributions to OGFOA.

We ended the conference with two great sessions. Emily Brock, GFOA Federal Liaison Center Director. She spoke on everything from campaign promises, executive orders to their two #1 priorities, 1) maintaining the exemption for municipal debt interest and 2) combating Federal preemptions. She pointed out that the President cannot make new laws (that's congresses job) but they can use executive orders to set policy and give directions. Some things they are watching are what the new administration will do with, Obama era water rules, 2010 Dodd Frank Rules and what effect the executive order on getting rid of two regulations if writing a new one will have. For more information see the GFOA website where they tell the story by the numbers.

Wendy Johnson with the League of Oregon Cities spoke on items at the State level.

- Bills on part time employees is on hold
- Local transient lodging taxes (TLT) HB 2400 allows state to collect the tax for us
- HB 3180 allows us to share information with the state
- HB 2203 allows state to share marijuana tax revenue based on 75% population and 25% on licenses issued
- HB2204 allow us to raise our marijuana tax from 3% to 8% and requires cities to turnover 2% to the county provided it didn't prohibit marijuana sales

There are also some important bills on Franchise fees and URD areas. Look to the LOC website or sign up and listen to their Friday updates.

Our concluding presentation was on PERS. We had John Skjervem the Chief Investment Officer (CIO) in the State Treasury office and Steve Rodeman with PERS. John pointed out that Oregon PERS is the 22nd largest pension plan in the US. Currently Oregon PERS has invested 40% in other private investments (one example being that we own a building in Chicago) and 60% is in stocks and bonds. The fund has very little exposure to the Oregon market; the thought is when Oregon is doing bad, they do good. They are currently in the top 1% of their peer group (41 plans in the group) and they are also one of the leanest in staff size compared to plans their size. Steve gave us some statistics on the PERS system; 2/3 of retirees receive less than \$3,000 per month and those receiving \$9,000+ are less than 1% to total retirees. There are 134,000 employees currently receiving a benefit and of every dollar funding, PERS receives 73 cents from investments. There is no way I'm going to explain in a few sentences why our PERS rates are climbing the way they are but our very own PERS nerds have put out several presentations with all the details any accountant could ask for. And in terms we understand.

Session materials from the Spring Conference can be found on the OGFOA website under the Members Only section along with other great resources. (Another reason to become a member.)

I want to encourage everyone to get involved, join the Board, get on a committee, write a newsletter article on a topic you want to share, or volunteer to be a session presenter. All of these opportunities are great ways to network with other attendees, and by being involved you will get more out of your OGFOA membership.

If you haven't already please complete the conference evaluations. Watch for Misty's email or go to the OGFOA website. The Board and education committee read each of these as we prepare for the next conference.

Now that the FY audit is almost put to bed, and you are starting to work your FY18 budget, don't forget to put the Fall 2017 OGFOA conference to be held October 9-11 at the Doubletree in Portland and the Spring 2018 conference held March 11-14 at Sunriver Resort on your calendar. The Conference and Education committees are already planning for great conferences.

See you at the Doubletree!

OREGON PUBLIC PENSION FUND RANKED FIRST AMONG PEERS FOR PERFORMANCE OVER THE PAST DECADE

Oregon State Treasury news release Mar 17, 2017

Oregon State Treasury manages the \$70.5 billion trust fund, which is highly diversified and invested globally

The Oregon Public Employees Retirement Fund, which is managed for long-term sustainable returns, ranked first among large public pension funds for investment performance over the past decade, new data shows.

Treasury gauges how well its portfolio performs each year using a peer fund comparison. This analysis, compiled by the Wilshire Trust Universe Comparison Service (TUCS®), measures investment performance among all U.S. public pension plans with assets greater than \$10 billion. The latest ranking places Oregon in the top half of its peers in 2016, and for the more important, longer-term ranking, Oregon earned the single best 10-year return among all 41 funds in the peer group. For that decade, the fund earned average annual returns of 5.5 percent.

The Oregon fund realized a 6.9 percent net return in 2016 and finished the year with a balance of \$70.5 billion. The globally diversified fund is managed by the State Treasury with guidance and fiduciary oversight from the Oregon Investment Council.

"Strong investment performance is good news for every Oregonian," said State Treasurer Tobias Read, who is a member of the investment Council. "Every dollar earned from investment returns is a dollar that doesn't need to come from the budget."

"Exemplary performance over the very long term is our goal," said Oregon Investment Council Chair Rukaiyah Adams, who is the Chief Investment Officer at Meyer Memorial Trust. "To continue seeking strong returns and ensure fund sustainability for years to come, the OIC is focusing on strategic priorities that will allow Treasury to better capitalize on opportunities in the investment environment."

Based on the most recent figures, roughly

73 cents of every dollar in pension benefits is covered by investment returns. Treasury staff invests pension capital from the time employer contributions are received, until funds are needed to pay contractual retirement benefits for more than 340,000 working and retired public sector employees, including public safety officers and schoolteachers.

With support from the Oregon Investment Council, Treasury has improved the pension fund's diversification profile to increase the likelihood of sustainable investment performance across both boom and bust market cycles, a decision made after the 2008-09 global financial crisis.

Specifically, the revamped portfolio now has less exposure to global stock market volatility -- a change which also explains why the fund's short-term, peer-relative performance moderated in 2016.

In addition to seeking strong fund performance, Treasurer Read is also working with Oregon legislators and the governor to reduce investment-related fees and expenses. Due to perennial staff and resource constraints, Treasury currently hires private sector firms to manage significant parts of the pension portfolio. By investing in additional technology and staff capacity, Treasury can manage more pension assets internally -- and save millions in related costs.

The Oregon State Treasury protects public assets and saves Oregonians money through its investment, banking, and debt management functions. State investment policies are set by the Oregon Investment Council. The State Treasury also promotes public outreach and education to help Oregonians learn strategies to save money, invest for college and make smart financial choices. You can follow Oregon Treasury news on Twitter at @OregonTreasury.

Average annual return and TUCS® peer group ranking for periods ended December 31, 2016:

1-year	6.9%	47th percentile
3-year	5.4%	9th percentile
5-year	9.1%	5th percentile
7-year	8.6%	1st percentile
10-year	5.5%	1st percentile



GETTING STARTED WITH IMPLEMENTING GASB 77: TAX ABATEMENTS

By Sami Gillum & Dana Zimmer

The Governmental Accounting Standards Board released Statement 77, *Tax Abatement Disclosures* ([GASB 77](#)). This new standard requires state and local governments including: cities, counties, school districts, and special districts, to provide disclosures in their financial statements for tax abatement programs.

Tax abatements result from agreements entered into by the reporting government, as well as those that are initiated by other governments, which reduce the reporting government's tax revenues.

Three combined features help set apart tax abatements from other tax expenditures (such as tax exemptions and tax deductions):

1. Purpose – examples include: economic development, historical preservation, environmental incentives, Brownfield cleanup, and housing construction
2. Revenues reduced – tax revenues, nonexchange transactions, not including other streams of revenue (such as charges/fees for service)
3. Existence of an agreement – identifiable agreement between a government and specific individual or entity which has at least 2 components:
 - a. Promise by a government to reduce taxes
 - b. Promise from an individual/entity to subsequently perform a certain beneficial action

State and local governments are required to disclose information about tax abatement agreements for reporting periods beginning after December 15, 2015. For many entities in Oregon this requirement will be for the fiscal year beginning July 1, 2016 and ending June 30, 2017.

GASB 77 will require governments to disclose the following for programs that they enter into:

A. Brief description, including:

1. Name and purpose of the tax abatement program(s)
2. Specific taxes being abated
3. Authority under which tax abatement agreements are entered into
4. Criteria that make a recipient eligible to receive a tax abatement
5. The mechanism by which the taxes are abated (how the recipient's taxes were reduced and how the tax abatement was determined)
6. Provisions for recapture, if any, including conditions under which abated taxes become eligible for recapture
7. Types of commitments made by recipients of tax abatements

B. Gross dollar amount of tax revenues which were reduced during the period due to the tax abatements



C. If amounts received or are receivable from other governments in association with forgone tax revenue:

1. The name(s) of the government(s)
2. The authority under which amounts were or will be paid
3. The dollar amount(s) received or receivable from other government(s)

D. If the government made commitments other than to reduce taxes as part of a tax abatement agreement, a description of:

1. Type(s) of commitment(s) made
2. The most significant individual commitment(s) made
(Information about a commitment other than to reduce taxes should be disclosed until the government has fulfilled the commitment)

E. If tax abatement agreements are disclosed individually, a brief description of the quantitative threshold the government used to determine which agreements to disclose individually

F. If a government omits specific information required by the Statement because the information is legally prohibited from being disclosed, a brief description of the general nature of the tax abatement information omitted and the specific source of the legal prohibition



POTENTIAL PROCESS TO FOLLOW:

- Identify all tax revenues
- Research/review state and federal laws (ORS, OAR, Enterprise Zone website), internal documents (charter, ordinances, resolutions, board minutes), etc.
- Determine if program meets the criteria for GASB 77 tax abatements
- Determine where the information comes from and work with stakeholders, for example:
 - Property tax abatements: work with your assessors and financial departments to determine what process can be developed for reports
 - Business income tax abatements: work with agency handling collections
- Draft disclosures

MULTNOMAH COUNTY'S PROCESS:

The results of this information began with a round table committee that was made up of members from: Multnomah County, City of Portland, City of Gresham, Metro, and Moss Adams. The committee included financial managers, accountants, assessor's office staff, programmers, and auditors. A subcommittee was formed to analyze data included on the Summary of Specially Assessed and Tax Exempt Properties, in order to determine if programs promulgated by Oregon Revised Statutes met the criteria of GASB 77. A sample of the property tax exemption data was provided by the programmers in Multnomah County Assessment & Taxation.

Multnomah County has published a [GASB 77 Tax Abatements – Implementation Information](#) website that includes:

- I. A GASB 77 Implementation Memorandum for Taxing Districts
- II. 2016-17 Exemption Code List
- III. 2016-2017 Multnomah County exemption data – a link to Assessment & Taxation for:
 - a. Changed Property Ratios 2016
 - b. Property Tax Exemption Reports (anticipated to be available by late Spring 2017)

- III. Links to specific Originating Government Resources
- IV. A Calculation Example

Multnomah County Property Tax Exemption Reports (III.b. above) will include data for Tax Year 2016-2017. This information will be provided by taxing district and include data for each property ID: exemption code, a description of each exemption type, the property ID, the property class code, the market value of exempt property, and the applicable district rate. The exemption codes on this report tie to the 2016-17 Exemption Code List (II. above), which provides the Oregon Revised Statute for each Exemption Code.

The first step to calculating a Taxing District's abatement estimate is to look up their District's name on the County Assessor's Property Tax Exemption Report (III.b. above). The Taxing District should then review the exemption programs and determine if they are applicable to their entity based on the criteria established within GASB 77. For those exemption programs which are applicable, the Taxing District would then perform a calculation for each property covered by that exemption program. Programs could have only one participating property or they could have many. Properties are further classified with a Property Class Code and District Property Tax Rate.

Once the entity has determined which abatement programs apply under GASB 77, the calculation of the abatement estimate is only a few short steps away.

The abatement estimate calculation is as follows:

Example Calculation								
district	ex code	exemption type description			property ID	property class code	market value of exempt property	district rate
BURLINGTON WATER DIST	39	RIPARIAN LANDS			R498790	1	53,330	3.4269



Multnomah County

Department of County Management
Division of Assessment, Recording and Taxation

Changed Property Ratios by Property Class

Tax Year	(0XX) Miscellaneous	(1XX) Residential	(2XX) Commercial/ Local Industrial	(3XX) State Industrial	(7XX) Multi-Family	(8XX) Recreational	(9XX) Machinery & Equipment	Personal Property
2016-2017	0.6409	0.5379	0.4812	1.0000	0.3967	0.7867	1.0000	1.0000

Value of Exempt Property		
market value of exempt property	53,330	
property class code	1 (residential)	
Changed Property Ratio	0.5379	
Maximum Assessed Value	28,686	
District Levy Amount		
Maximum Assessed Value	28,686	
District Rate (\$ per 1,000)	3.4269	
District Levy Amount (see disclaimer) \$	98	

Property classes 4, 5, and 6 use the Property Class 1 (residential) changed property ratio.

Dana Zimmer is a Finance Specialist Senior in the General Ledger section of Multnomah County, Oregon. Dana has over ten years of experience working with state and local governments.

Samina Gillum is the Accounting Manager for Multnomah County. Sami has experience with four government employers and has been preparing CAFRs for most of her career.

OATOA - OREGON ASSOCIATION OF TELECOMMUNICATIONS OFFICERS AND ADVISORS

By Jennifer Cuellar, Finance Director Columbia County

At the Spring Conference I became aware of an association that offers incredible expertise in the area of telecommunications as a public resource: the Oregon Association of Telecommunications Officers and Advisors.

OATOA is a professional organization of individuals and organizations serving citizens in the development, regulation and administration of

- cable television franchises
- other rights of way use licenses/franchises
- community broadband plans
- wireless land use zoning and site review
- other telecommunications policies and programs



Because Oregon law allows considerable local government control over their public rights of way, OATOA also works closely with the **League of Oregon Cities** and **Association of Oregon Counties** to prevent hostile industry initiated legislation restricting local authority. That effort continues each legislative session.

As so many cities and counties in Oregon do not have staff assigned to telecommunications management, OATOA's Oregon members are frequently contacted for advice and information. I can attest that OATOA members are inclined to be generous with their expertise as I have spoken with three of them in the last two months.

OATOA was one of the first state chapters formed and recognized by the National Association of Telecommunications Officers and Advisors (NATOA). To become a member of OATOA, simply join the national organization - no additional dues are required. As is the case with the OGFOA, many OATOA members are active in executive leadership and serve on NATOA committees.



OATOA meets several times each year to discuss common issues and to share information with each other. Membership tends to be represented by the larger communities found on the I5 corridor. Jurisdictions throughout the state are encouraged to bring their interests and perspectives to the table as well.

Their NATOA annual conference is in Seattle this year from September 11-14.

For membership and/or general information on OATOA you can reach out to

- Pam Berrian, City of Eugene
- Reba Crocker, OATOA President, City of Milwaukie
- Lance Powlison, OATOA Vice-President, City of Oregon City

Or visit their website at www.natoa.org/web/chapters/oatoa.html.

JOIN THE OGFOA NEWSLETTER TEAM

Please consider joining the newsletter team - a great opportunity to contribute to the OGFOA and give back to this association that benefits us as members in so many ways.

Being an OGFOA newsletter editor lets you combine a love of numbers with a love for words. If you have an eye for detail - maybe you are the go-to staffer asked to proof reports before they are finalized - this is the job for you!

Please contact Jennifer Cuellar jennifer.cuellar@co.columbia.or.us if you're interested in joining the team - the more the merrier!



OGFOA HEALTH MINUTE - GO FOR A WALK EVERYDAY!

Walking feels good. It helps the body heal and keeps it healthy while also improving our emotional health. On an average day, millions of adults walk 30 minutes or more for exercise and with good reason. Here are a few of them:

- Walking cuts the rate of people becoming diabetic by more than half
- Walking reduces hypertension
- Women who walk have a 20 percent lower likelihood of getting breast cancer
- Men who walk have a significantly lower level of prostate cancer
- People who walk are less likely to catch colds (especially relevant for Oregon weather...)
- Walking helps to increase bone density and is a simple exercise very effective for your spine, legs and hips
- Walking helps to improve mind alertness by improving circulation and the availability of oxygen to the brain (very important during budget and audit season...)

Now tie up those laces and get out there!



CALENDAR OF EVENTS

APRIL 28, 2017

OGFOA Board Meeting

JULY 21-22, 2017

OGFOA Board Meeting

MAY 21-24, 2017

GFOA Conference in Denver, CO

OCTOBER 9-11, 2017

OGFOA Fall Conference in Portland, OR

