

GFOA: Your Advocates on Capitol Hill



Government Finance Officers Association

Emily Swenson Brock
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Federal Advocacy

S2

- Congressional Advocacy
 - Tax exempt municipal bonds
 - Deductibility of state & local taxes
 - Marketplace Fairness Act
 - Pensions & benefits
- Executive Advocacy
 - SEC
 - MSRB
- Amicus Briefs to the Supreme Court



Timeline for Tax Reform

S3

- SALT Identified Mid June
- HR1 (early Nov) and S1 (early Dec)
- Surprise!! Munis involved – preserved, but not really!
 - Advanced refunding
 - Private Activity Bonds
 - Tax Credit Bonds
- Conference Late Dec
- Signed into law December 22



Tax Reform Results

S4

	HR1	S1	"THE TAX CUTS AND JOBS ACT" *
SALT	Prop Cap \$10k	Prop Cap \$10k	Prop, Income and Sales Cap \$10k
Advanced Refunding	Eliminated	Eliminated	Eliminated
Private Activity Bonds	Eliminated	Preserved	Preserved
Tax Credit Bonds	Eliminated	Preserved	Eliminated
Stadium Bonds	Eliminated	Preserved	Preserved
MID	\$500k	\$1M	\$750k
Corporate Rate	20%	20-ish%	21%
Individual Rate	Lowered	Lowered	Lowered

○ Technical Corrections Expected?

*Senate Parliamentarian ruled the name "Tax Cuts and Jobs Act" could not be used, so the law remains nameless.

Tax Reform Fallout

S5

- Advanced Refundings
- Standing By: Next step PABs
- Tightening Revenues, On Account of Some SALT
- Other Fallout?

Big News in the SCOTUS

S6

- US Supreme Court to Rule on *South Dakota v. Wayfair, Inc.*

- Timeline Unsure



- Legislation very much in play
 - The Remote Transactions Parity Act (Noem, HR 2193, Mr. Delaney cosponsoring)

Public Finance Network

The Big Seven

1. National Governor's Association
2. US Conference of Mayors
3. National Association of Counties
4. National League of Cities
5. ICMA
6. Council of State Governments
7. National Conference of State Legislatures

The Financial Four

8. National Association of State Treasurers
9. National Association of State Budget Officers
10. National Association of Comptrollers, Auditors and Treasurers

Housing

11. National Association of Local Housing Finance Authorities
12. National Council of State Housing Agencies

Conduit Issuers

13. National Association of Health & Educational Facilities Finance Authorities
14. American Hospital Association

Public Works and Utilities

15. American Public Gas Association
16. American Public Transportation Association
17. American Public Works Association

Water

18. American Water Works Association
19. Association of Metropolitan Water Agencies
20. National Association of Clean Water Agencies
21. Water Infrastructure Network
22. National Water Resources Association
23. Water Reuse Association



Schools

24. National Association of School Boards
25. National Association of College and University Business Officers
26. Association of School Business Officers
27. National Education Association

Power

28. Large Public Power Association
29. American Public Power Association

All Other Partners

30. The National Association of Towns and Townships
31. American Planning Association
32. American Society of Civil Engineers
33. International Economic Development Council
34. International Public Management Association for Human Resources
35. National Association of County and City Health Officials
36. National Association of County Community and Economic Development
37. National Association of Development Organizations
38. National Association of Regional Councils
39. National association of Resource Conservation and Development Councils
40. National Community Development Association
41. National Council on Teacher Retirement
42. National Association of State Retirement Administrators

(Re)Introduction to GFOA



Government Finance Officers Association

GFOA Strategic Roles

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RESOURCE

- Best practice guidance
- High-quality technical resources
- Research on current issues



EDUCATOR

- Ongoing professional development
- Transparency and overall understanding of public finance concepts



FACILITATOR

- Member networking and member communications
- Recognition for innovations and leading governments



ADVOCATE

- State and Local government issues at the federal government level
- Development of accounting and financial reporting standards
- Recruitment and development of public finance leaders

GFOA Best Practices

S10

Best Practices by Topic

- › Financial Policies
- › Accounting & Financial Reporting
- › Budgeting & Financial Planning
- › CIP / Economic Development
- › Debt Management
- › Financial Management
- › Pension & Benefit Administration
- › Technology
- › Treasury and Investment Management



BACKGROUND:

Debt management issuance practices, debt portfolio, and improve the quality of issuance, and develop a debt management well managed and management policy financing options, debt management transparency and regarding the issue.

RECOMMENDATIONS:

GFOA recommends management policy To assist with the Management Policy address at least the following:

1. **Debt Limits.** The limits of debt. Limits generally should be established.



BACKGROUND:

In the context of governmental budgeting, funds calculated to serve as a difference between the actual and budgeted amounts.

1. GAAP type and description of fund balance constraints on spending from prior periods.
2. The calculation of the amount of fund balance.
3. Often the GAAP orders prepare the fund balance.

The effect of the budgetary fund balance.



BACKGROUND:

Moving funds electronically is efficient, effective, and common within local government; however, many governments still rely on producing paper checks to distribute funds. This method is not only costly, but it includes additional risk for fraud, requires additional handling and processing time, and is more difficult to track than using electronic payments. While electronic payments are not immune from fraud, and criminals are becoming more sophisticated, governments can put safeguards in place to help prevent fraudulent activity.

Many types of electronic payments exist, and banks may offer specific products or services as the market evolves. The most popular types of electronic payments include:

- **Automated clearing house (ACH)** – movement of funds in a batch process, which is best for high volume, low dollar transactions such as payroll, expense reimbursement, and routine vendor payments, as the cost per transaction is low relative to other forms of electronic payment.
- **Wire transfer** – immediate movement of funds between bank accounts with guaranteed settlement, which is most suitable for high dollar transactions because the cost per transaction is high relative to other forms of electronic payment.
- **Purchasing (procurement) cards** – a credit card transaction designed to reduce the volume of purchase orders issued or to eliminate petty cash. Purchasing cards are used at the point of sale, which is convenient for the customer, and payments are made in aggregate. Vendors that accept the payment will pay a processing fee. There is usually no cost to the government, and the issuing bank usually provides a rebate based on transaction volume.
- **Electronic accounts payable** – a credit card transaction, often without physical cards, that allows governments to pay invoices electronically. These transactions are similar to purchasing cards but occur after the point of sale and thus do not provide the processing

Annual Conference

S11



- May 6-9, 2018
- St. Louis, MO
- Concurrent Sessions
- Keynotes
- Exhibit Floor
- Networking
- Social Events
- First-Time Scholarships

Getting Involved with GFOA

S12

- Committees
- National and Internet Training
- Participation in Research Project
- Award Reviewer
- Networking Group
 - Urban Forum
 - Small Government Forum
 - Utility Forum
 - Black Caucus
 - **Women's Public Finance Network**
- GFOA Social Media

Thank You. For More Information...

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Emily Brock

Director, Federal Liaison

202-393-8467

ebrock@gfoa.org

www.gfoa.org



@GFOA (#GFOA2018)



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