

President's Message

By *Doug Extine*, Deputy Treasurer, Office of the State Treasurer

It is with great enthusiasm that I look forward to this coming year. WMTA is on the move with exciting plans for our annual conference and fall seminar. Over the past several months the education committee headed by **Michael Legarsky** has been busy arranging interesting and informative roundtables. Each conference brings the latest best practices and industry advances to our members and this year will be no exception.

We all face an increasingly challenging environment that requires us to understand this changing world and to implement best practices to protect public resources and provide programs that meet the needs of citizens. Municipal treasurers, treasury staff and administrators need to recognize the shifts in technology and demographic trends that will influence public policy in the future. WMTA can help.

Roundtable topics will include safely maximizing returns on investments, financing capital projects, banking services, public works trust fund loans, L&I retro programs, to list just a few.

This past June your board traveled to Davenport where they were hosted by **Mary Hollis**. The board met over two days and reviewed the past conference, set the budget, reviewed



scholarships. Board members were treated to home-style hospitality at the Hollis Ranch where they were fed Lincoln County raised beef and Walla Walla sweet corn.

Our association allows us to meet outside of the office and it is at these times that we can really learn from each other. There are many good people out there doing the public's business and typically they do not have the time or opportunity in the workplace to interact, share ideas, and discuss problems. WMTA allows that process to take place.

In my twenty-plus years in public service I have often been confronted with situations that were "new" and where I was not entirely sure of the answer or solution. I owe much

of my success to the mentoring I received early in my career and to the contacts that I have made over the years. I still may not always know the answer, but I do know who might be able to help. Those contacts have been invaluable in allowing me to enhance my knowledge base. I think you'll also find that WMTA provides a great setting for the development of those contacts.

The advances in technology, combined with the many hats that most of us have to wear, makes it impossible to ever say, "I've arrived!" If you aren't going forward, you are going backward. WMTA provides a forum where not only can we ensure that we continue moving forward, but where we can help others to do so, as well.

To quote a great man (my father) who, when I asked how I could ever repay him for what he has done for me, said, "You really can't, but you can pass it on to your children." The same principle applies to our professional lives. I can't ever repay those who mentored me, but I can pass it on to others. This is true for all of us. WMTA is a great forum to "pass it on." For some of us that means active involvement in the roundtables, while to others, it involves becoming active in the affairs of the association. Whatever the avenue, I encourage you to both "pass it on" and to continue your own development.

WMTA, filled with all its positive career-boosters, and it's a great time, as well! Remember, all roads lead to Chelan on April 11th -13th. See you in Chelan!

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Act of Congress Affects Reporting Requirements

Beginning in January 2007 the state fiscal agent, The Bank of New York, is required to report to the Internal Revenue Service all payments to your bondholders of tax-exempt interest earned. This requirement is effective for all tax-exempt interest paid in calendar year 2006 and in future years. Prior to TIPRA, Form 1099-INT reported only taxable interest, now it will also report tax-exempt interest. Bondholders will get a separate 1099-INT for each bond they own whether taxable or non-taxable. A checkbox on the form will indicate whether the fiscal agent is reporting taxable or non-taxable income to the IRS.

Interestingly enough, this does not mean that tax-exempt interest has become taxable. Rather, the law requires reporting tax-exempt interest in the same manner in which taxable interest is reported to the federal government. However, if the fiscal agent does not have a certified taxpayer-ID for a bondholder, the fiscal agent is required to follow general IRS rules

on backup withholding even on non-taxable bonds.

In January bondholders have received statements from The Bank of New York on Form 1099-INT showing the amount of tax-exempt interest paid to them during calendar year 2006. While The Bank of New York has mailed a brief explanation of TIPRA to your bondholders, because of this change some people in your community will be seeing this form for the first time and may be calling you with their questions.

More information can be found in IRS Notice 2006 – 93 Information Reporting Requirements for Payments of Interest on Tax-Exempt Bonds. Obligors may call the Bank of New York Fiscal Agency Unit toll-free number (800-646-5468) for information. If you are contacted by a bondholder regarding this new federally mandated requirement they may call The Bank of New York Customer Service Department at 1-800-438-5473.

Summer Board Meeting Hosted in Davenport

WMTA board members were hosted by WMTA President **Mary Hollis** in the heart of Washington wheat country. Just 33 miles west of Spokane, rural Davenport is home to 1700 friendly folks.

The two-day annual board meeting is a time when the previous year's conference is reviewed, plans for the upcoming fall training and next year's conference are discussed, the annual budget is adopted, committee reports are given, and other business as necessary is conducted.

Mary and her husband **Ron** hosted the members to their home for a family barbeque of Eastern Washington beef raised on the adjoining range.

Mary said, "It was fun hosting the board and to show off our little town. The networking benefit of WMTA really pays off when we have the opportunity to visit our colleagues' cities."

Following the meeting, new board member **Robbi Stedman**, Office of the State Treasurer, said, "The Hollis' hospitality was amazing! And we accomplished a lot! It really is neat when you have the time to get together and exchange ideas. Large or small, many of our challenges come down to some pretty similar things – stretching budgets, customer service, and the like. I was glad I could take part."

The next Best Thing to Spring in Paris Is . . .

Being in Lake Chelan at the annual auction. The entertainment is free, and who knows? You might win the bidding for French lessons, an exceptional bottle of French wine, or a pair of tickets to *le Mariners*. Everyone comes out a winner, as all auction proceeds are used to provide scholarships for conferences and training. WMTA has awarded over \$20,000 in scholarships, as well as subsidized training for all members, since 1985. That's a lot of moo-lah!

Merci beaucoup to all those participants and vendors who have donated items for the auction and made all the fun possible. With you, the next year's auction will be *déjà vous* (you again); without you it will be *très triste* (very sad).

Need a Couple Extra Francs to Attend the Conference?

Well, if you had kept up with your continuing education, you would have known that, since 2002, what you really need are euros! So keep up with your education. And, if you have the need, why not consider applying for a scholarship? WMTA offers valuable training and networking opportunities with peers that help create lifetime friendships and enhance career development.

The Scholarship Committee chair, **Kris Tompkins**, is patiently waiting for **you** to submit your scholarship application. Applications can be

If you or your organization have not donated an auction item in the past, and would like to participate this year – *très bien!* – we'd like to talk with you. Donations do not have to be expensive or big-ticket items. Any special items from your hometown or local businesses (restaurant gift certificate, bottle of wine, sweat-shirt, etc) are always popular. As you travel about your city, keep us in mind. There are sure to be lots of unique items out there just waiting to be auctioned off. Contact **Paula Florence** at (360) 535-6142 or florencep@kccha.org if you have any questions or need some fresh ideas. We're *créatif*, even if we could use a few French lessons.

made at any time on a simple form. Awards are made for: the Annual WMTA Conference; WMTA Ad-hoc Classes; the State Institute; and the National Conference. Applicants may apply for funds to cover the full cost of attendance. The Application Form, Policy and Guidelines are now available on the WMTA website, www.wmta-online.com. To apply for a scholarship, applicants must be current members of WMTA.

Scholarship applications are due **March 5th!**

Testimonials

"Tool time for Treasurers" was the conference theme in 2000 when I served as WMTA President. As with all WMTA conferences the emphasis was on education and providing "tools" to help municipal finance officers succeed. I have gained a lot through our association and have many more tools available to help my city succeed. I urge you to participate in WMTA and fill your tool box with skills and knowledge to help you do your job even better."

Past President **Jim Hendrickson**, Financial Services Manager, City of Tumwater

"As a newly-elected treasurer I understand the importance of networking with others working in treasury management. WMTA is valuable throughout the year as you recall the round table discussions. The strength of WMTA is the people and I do not know a better place than WMTA in Chelan to meet those in our profession. I look forward to attending in the future and urge all my colleagues to join me in Chelan."

The Honorable **Judith Scott**, Clallam County Treasurer

"I look forward to coming to Chelan each year, to meet new people and renew old friendships. It is a great way to meet people in our profession. The general sessions have been great and participating in the round table discussions, fun. Meeting people outside of the office allows for casual conversations leading to a better understanding of our clients' and their business concerns."

Andy Jeremi, Vice President, Union Bank of California

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Ooh La La – \$ Moo \$ La La

Just when you thought Fat Tuesday was behind you for the year . . .

WMTA invites you all to don your purple, green, and gold beads and masks and join us in Lake Chelan for the 24th Annual WMTA Conference:

Ooh La La – \$ Moo \$ La La
April 11-13, 2007
Campbell's Resort on Lake Chelan

The conference is sure to have a carnival atmosphere packed full with a parade of educational roundtables, entertainment to keep your toes tapping, and cuisine fit for a king or queen. Reserve the date now and watch for your registration packet in the mail or check our new website at www.wmta-online.com.



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