

## President's Message



Jamie Nicholson

If you have not already registered for GFOA's 113<sup>th</sup> annual conference in Los Angeles, I would strongly encourage you to consider attending. In addition to the two and a half days of training sessions and speakers, there are also a number of pre-conference sessions. You can check out the conference offerings and get more information at <http://www.gfoa.org/conference-sessions>. As of the end of March, there are a total of 102 Ohio GFOA members attending, and I look forward to spending time with all of you in LA! Don't forget that the Ohio GFOA will be holding a reception in LA on Monday, May 20<sup>th</sup> at the Luxe City Center Hotel and all are invited.

I would like to take this opportunity to welcome newly-elected State Auditor Keith Faber and State Treasurer Robert Sprague. The officers and I recently met with these officials to share the mission of the GFOA and encourage them to continue to support the outstanding relationship we've had with both offices. Both officials were supportive of our organization and its' mission, and we look forward to working with them and their staff in the future. At the meeting, we requested, and they generously accepted, our invitation to speak with the Ohio GFOA membership prior to the Annual Conference in September. We've scheduled a session in Columbus that is being held on May 7, where the topics will include legislative and budget updates, and presentations by both Auditor Faber and Treasurer Sprague. I encourage you to attend this session, which will also qualify for CPE credits.

At our recent meeting, Auditor Faber shared that he requested of Governor DeWine that he include additional resources to support local government audits. Based upon a recent analysis by their office, there exists an imbalance of \$6 million annually in their costs to provide audit services and the fees charged to the organizations. Hourly audit fees charged by the AOS have remained unchanged at \$41 per hour since 2011 and have not kept pace with the rising costs of audits. The Auditor's office strongly prefers not to raise rates on audit services but needs to address this imbalance. They have identified three options, the first two of which would raise audit costs to the local organization. The first is to increase the hourly rate by at least \$10 per hour, and the second would be to cut the AOS staff by as many as 100 auditors. Eliminating that many auditors would require the office to outsource more and more audits to IPA firms which could result in higher audit costs. In lieu of the first two alternatives, Auditor Faber has proposed that \$10 million per year be put into a Local Government Audit Support fund that would be available to offset the increased costs of audits that would otherwise need to be passed along to our members. This line item was included in Governor DeWine's budget proposal, but it is unclear if widespread support exists for the proposal. I would encourage each of you to contact your local State Representative and encourage them to support this item.

On the training front, the national GFOA staff will be in Columbus the week of July 22<sup>nd</sup> to provide training on a number of public finance topics, including: School Budgeting Best Practices; Accounting for Pensions and OPEB; Evaluating Internal Controls; ERP Implementation; Managing the Budget Process; and Advanced Governmental Accounting. This is an excellent opportunity to attend high-quality national training with the benefit of reduced travel costs.

It is a pleasure and an honor to serve the members of the Ohio GFOA as President and I look forward to meeting many of you.

Sincerely,

*Jamie Nicholson*, MBA, CPFIM