

Statement of Policy

of the

IOWA MUNICIPAL FINANCE OFFICERS ASSOCIATION

FORWARD

The Iowa Municipal Finance Officers Association (IMFOA), recognizing the fact that a definitive statement of policy is needed to establish guidelines toward the highest possible standards of fiscal administration of Iowa municipalities, offers this publication.

The Association is fully cognizant of, and accepts, the fact that finance administration structures will vary between municipalities to meet the needs of each community. However, it is the position of the Association that a centralized finance operation, headed by a trained Finance Officer, offers the most effective approach to fiscal integrity for any municipality. Our goal is to make it possible for every Finance Officer to obtain the necessary knowledge through mutual assistance and training opportunities.

Printed: 1969 Revised: 1971, 1995, 2014, 2015, 2017

THE ASSOCIATION – Structure

The Iowa Municipal Finance Officers Association is an independent organization of municipal Finance Officers, City Clerks, and other individuals (either appointed or elected) associated with municipal finance. The Association also recognizes associate members in related fields as determined by the by-laws of the Association. Meetings for all members are held semi-annually with Association affairs guided by the officers elected from the membership at large.

VISION STATEMENT

The Iowa Municipal Finance Officers Association is a collaboration of Iowa municipal professionals dedicated to delivering exceptional educational and networking opportunities by enhancing quality of knowledge for those desiring to be empowered to provide exemplary services and assume responsible citizenship in their local governmental communities.

MISSION STATEMENT

The Iowa Municipal Finance Officers Association is dedicated to providing impeccable educational, inspirational, and networking opportunities for municipal professionals in a timely and competent manner, to encourage cooperation, consultation, and exchange of information to promote the welfare of the communities served and to assume responsible oversight with integrity and professionalism.

THE ASSOCIATION – History

The Iowa Municipal Finance Officers Association was established on November 24, 1939, during a school for municipal accounting officers instigated by Mr. C. B. Akers, State Auditor.

Its primary purpose was to provide an organization in which City Clerks, Finance Officers, Treasurers, Auditors, Mayors and Council members could exchange ideas and receive instruction on problems of finance for Iowa cities.

Homer Lowery, City Clerk of Grinnell, was appointed Chairman of a committee to form such an organization, with Mrs. Louise G. Holley, City Clerk of Carroll, serving as Secretary.

Floyd Klippel, City Clerk of Iowa Falls, was Chairman of a committee to draw up the by-laws for the new organization. Others on the committee were Stanton James of Story City, Harry W. Cowles of Clinton, J. W. Prather of Ames,

Frank A. Hass of Davenport, Arthur E. A. Johnson of Red Oak, and W. D. Toyne of Clarinda. The name adopted at that time was "The Iowa Municipal Accounting Officers Association."

Its purpose was "to conduct schools of instruction, meeting as often as deemed necessary by the executive committee, for the purpose of giving instruction to municipal officers in the keeping of public records, and for any other purpose deemed best to the interests of the public."

Membership initially included any municipal accounting officer, or municipal accounting office employee, Mayor, Council member, City Manager, City Clerk, or City Attorney. Initially, associate memberships were open to any person engaged in the distribution of municipal office records or supplies, subject to approval by the executive committee.

The Association initially established an annual service fee of \$2.00 for each active member and \$5.00 for each associate member. These amounts are reviewed each year by the executive committee and, in 1995, 2014, 2015 are:

	<u>1995</u>	<u>2014</u>
Cities under 2,000 population	\$30.00	\$40.00
Cities 2,001 to 10,000 population	\$45.00	\$55.00
Cities 10,001 to 20,000 population	\$60.00	\$70.00
Cities 20,001 to 50,000 population	\$75.00	\$85.00
Cities over 50,001 population	\$90.00	\$100.00
Retired membership	\$10.00	\$10.00
Associate membership	\$50.00	\$60.00

2015-Changed to types of membership and not by population

Benefitted membership	\$50.00
Active membership	\$20.00
Retired membership	\$15.00
Associate membership	\$100.00

During the early to mid 1990's, the organization's annual membership was approximately 550 to 560. In 2014, membership was approximately 720.

First officers of the association were John Prather of Ames, President; Stanton James of Story City, Vice President; Nellie Mygatt of Shenandoah, Secretary and Treasurer, and L. D. Burgess of Cedar Rapids and C. A. Carlson of Sioux City, Directors.

At the organizational meeting in 1939, 12 members paid fees for a total of \$24.00. By May 1, 1940, 12 more had joined, and at the first annual meeting on

May 17, 1940, five more had sent in their fees. The Treasurer reported at that meeting that membership totaled 28 and there was \$119.00 in the treasury.

True to the purpose as stated in the by-laws, the Association has remained a means to provide information and updates to the membership.

The subjects discussed at the first annual meeting held May 16, 1940 included: accounting forms for municipal utilities; "Problems of Towns", a paper read by C. D. Belz of Conrad; a discussion of "Consolidation of Funds", led by Phil Minner, City Auditor of Council Bluffs, an explanation of "Use Tax" and "Taxation of Rural Electrification Plants" by John Mulroney, Legal Counsel for the State Tax Commission. "Indexing and Keeping of Records" was the topic of Beulah Driftmeier, Deputy Clerk of Clarinda; C. A. Norrbom, City Clerk of Sioux City, read a paper on "Ordinances, Resolutions and Bond Registers", and F. L. Butler, City Treasurer of Oskaloosa, discussed treasurers' receipts and disbursements.

Topics covered and the informational nature of the programs at the association meetings have reflected the changing need of Finance Officers for Iowa cities. For example, following World War II, the Association heard reports on war surplus commodities available to municipalities; in the 50's there was discussion of the need for zoning; increasing availability of federal funds was reflected in the 60's and 70's; while the 80's brought about a continuing need for providing more services at less cost. Ever changing tax structures have resulted in a constant need for instruction in that field.

It has been the policy of the organization to invite as speakers persons competent and knowledgeable in various fields. In many instances, members of the Association have taken part in panel discussion where their experience has made valuable contribution. Additionally, the Association regularly utilizes resources provided by the Iowa League of Cities (ILC), the International Institute of Municipal Clerks (IIMC), and the Government Finance Officers Association (GFOA).

Always interested in legislative matters, the Association has proposed and backed bills considered vital to Iowa municipalities. These have included recommendations for uniform records and reports; appropriation of road use tax and other funds; civil service and retirement issues, and many other matters.

Annual meetings are held in April, with semi-annual meetings held in October. Most meetings have been in Des Moines hotels, but, occasionally in the earlier years, meetings were held in the State House. Board meetings are held regularly at the discretion of the officers and Board.

Entertainment has always been a feature of both the annual and semi-annual meetings, with a hospitality room, fellowship, special programs, and, many times, a dance, to relieve the seriousness of the workshop sessions.

On August 8, 2015 the IMFOA Board of Directors adopted the following policies regarding registrations and refunds for conferences:

- Pre-registration deadline is 16 days prior to the conference, in order to accommodate meal count deadlines.
- Registrations received after the 16-day conference deadline will be subject to an additional \$20 per registrant fee
- Cancellations received in writing between 16 days and 6 days before the conference will receive a full refund. Cancellations received before 5:00 p.m. on the Tuesday preceding the conference are subject to a \$50 administration fee. Cancellation of the Athenian is subject to a \$35.00 administration fee (adopted on July 28, 2023.)
- No refunds will be made for no-shows or those who cancel after 5:00 PM on the Tuesday preceding the conference or for an amount less than \$50.00.

THE FINANCE OFFICER – Code of Ethics

As a municipal Finance Officer, I believe:

That the proper operation of democratic government and fiscal administration requires that public employees be independent and impartial in their judgment and actions; those decisions and policy be made in the proper channels of the governmental structure; that public office not be used for personal gain; and that the public have confidence in the integrity of its government and employees.

Consequently, I believe it is my duty to:

1. Respect the importance of American ideals of government, the rule of law, and ethical conduct in the performance of my finance duties.
2. Work in full cooperation with other public employees in promoting the public welfare, recognizing that my private interest must be subordinate to the public interest.
3. Be scrupulously honest in handling public funds and in the conservation of public property, never using any funds or property under my care for private benefit of myself or others.

4. Refrain from disclosing confidential information concerning the city government, or granting any special treatment, consideration, or advantage to any citizen beyond that available to every other citizen.
5. Refrain from accepting gifts or favors or promise of future benefits which might compromise my independence of judgment or action as a Finance Officer.
6. Conduct myself in my private affairs in such a manner as not to bring discredit to public service, or the community and City Council which I serve.
7. Endeavor always to establish and maintain the highest standards of fiscal administration.

THE FINANCE OFFICER – Title

The title "Finance Officer" is descriptive in nature and is recommended as it bears reference to the entire field of finance rather than to one particular segment of finance activity. Where state law or city ordinance requirements are such that certain finance duties are imposed upon offices bearing such titles as City Clerk, Treasurer, Finance Director, or Auditor, the lack of the Finance Officer title should not inhibit the goal of centralization and professionalism.

THE FINANCE OFFICER – Responsibilities

The Finance Officer should be charged with the responsibility for accounting, finance administration, and controlling and guiding the finances of the municipality in compliance with legal provisions and generally accepted accounting practices as well as fiscal procedures applicable to the field of municipal finance.

The Finance Officer should be required by the legislative body to present periodic reports covering the financial status and operating results, together with such other information as it may request. Such reports must be of an independent nature and the Finance Officer should not sign any report which contains any know misstatement or omits any material fact.

The Finance Officer is a staff officer serving the chief administrative officer and the legislative body who must keep this responsibility ever present and not operate in a capriciously independent manner destructive of effective government.

THE FINANCE OFFICER – Qualifications

There can be no absolute qualifications for the position of Finance Officer of a municipality because it is not a position requiring only technical skills but also encompasses areas of judgment, management ability, and ethics.

The following are therefore set forth as desirable qualifications for a professional municipal finance administrator:

- a. Subscription to and compliance with the Code of Ethics as previously stated.
- b. Possession of a college degree in Accounting, Business Administration, or a closely related field of study, or adequate experience in municipal finance administration in a position Finance Officer or assistant.
- c. Understand and accept the broad scope of municipal finance administration and of its interrelationship with the other staff and operating agencies of the municipality.

FUNCTIONS OF A CENTRAL FINANCE DEPARTMENT

The following functions are normally considered basic to a central finance operation:

Legal Responsibilities

Under city charter, state law and local ordinances the Finance Officer is required to maintain certain financial records and to prepare certain reports. Although the statutory duties may vary in individual municipalities, there must be a complete set of accounting records for all functions and activities performed by the governmental unit with responsibility for such records and accountability lodged with the Finance Officer. These records must reflect compliance with legal requirements.

Governmental Accounting

This broad term applies to one basic function of the finance office. Through the application of generally accepted accounting principles and standards, this office should provide the methods whereby accounting theory is applied to bring all the finance functions into practical application. The Finance Officer is the chief accounting officer for the municipality. The Finance Officer must have centralized control and supervision of substantially all accounting records of the governmental unit and, by utilizing these records, be in a position to issue all financial reports.

Auditing

The Finance Officer should develop and maintain proper internal auditing controls. These controls, based on proper accounting procedure, should provide audit control of the municipal assets in such a manner as to prevent fraud, misuse, misapplication, manipulation or clerical error.

Budget Administration

The Finance Officer must be an intrinsic factor in budget preparation and control. The depth of involvement and responsibilities will vary from municipality to municipality, but, minimally, the Finance Officer will be responsible for furnishing previous expenditure records, revenue projections and for exercising day by day control. The Officer has further responsibility to constantly conduct reviews of budget procedures and identify needed improvements to the process.

Financial Planning and Debt Administration

The Finance Officer must constantly review and study current revenue policies and trends and must be alert to recognize the need for new revenue or the necessity to adjust revenue sources to meet changing conditions and to report those findings to the appropriate authorities for their action and/or direction. The Finance Officer is responsible for the preparation and interpretation of financial data for short - and long - term plans and programs. The Finance Officer should be prepared, when necessary, to accept the responsibility for determining the most appropriate method of borrowing funds and prime sources thereof. The Finance Officer must ensure that debt schedules are met, that surplus funds are adequately invested, and that the fiscal credit and integrity of the municipality is maintained at the highest possible level.

Analysis and Interpretation

The analysis and interpretation of financial and economic data is inherent in the finance function. However, further responsibility must be assumed by the Finance Officer in the preparation of evaluations and reports that are timely and meaningful. They must be understandable and useful to the deliberations of the legislative body and pertinent to the decision-making process of the chief administrator and department heads.

The following functions, because of law or the structure of individual municipalities, may not be under the control of the Finance Officer. However, it is the position of the Association that the responsibility for these functions should be located in a centralized finance department.

Treasury Management

The handling of cash and the accounting therefore is frequently, by law, the responsibility of some official other than the Finance Officer. Regardless of whether the collection, custody, and disbursement of municipal funds are the direct responsibility of the Finance Officer, or some other officer, there should be no compromise in the centralization of responsibility and control.

Purchasing

Purchasing is a proper finance function which provides greater internal control through appropriate buying and storing techniques and modern budgetary control procedures.

Property Assessment and Tax Collection

When the assessment of property and tax collections are performed by other departments or other governmental agencies, proper liaison should be maintained to protect the City and its' property owners, and to provide public information concerning tax collection and methods of assessment.

Miscellaneous

Local conditions or ordinances may dictate that various other functions, not so closely related to finance administration, may be made the responsibility of a central finance operation. Some of the more typical of these functions are:

Licensing Administration
Data Processing
General Services

Organization and Methods Analysis
Insurance/Risk Management
Property Management

ABOVE ALL, THE FUNCTION OF A FINANCE OFFICER IS TO MAKE DECISIONS AND RECOMMENDATIONS CONSCIENTIOUSLY IN COMPLIANCE WITH THE LAW AND THE POLICIES AND REGULATIONS OF THE CITY SERVED

PAST PRESIDENTS OF IMFOA

1939 – JOHN PRATHER, Ames
1940 – STANTON JAMES, Story City
1941 – KNAPP MATTHEWS, Waterloo
1942/43 – HAROLD SITTIG, Fort Dodge
1944/45 – HOMER LOWREY, Grinnell
1946 – NELS HANSEN, Council Bluffs
1947/1948 – WILLIAM JOHNSTON, Fort Dodge
1949 – LILLIAN CLEMONS, Des Moines
1950/51 – FOREST DOUGAN, Iowa Falls
1952 – F. C. DeSART, Mason City
1953 – R. H. CLELLAND, Fort Dodge
1954 – A. A. DREBANSTEDT, Burlington
1955 – DOYLE HUETT, Fort Madison
1956 – A. E. RUGG, Sioux City
1957 – GLENN L. STORY, Estherville
1958 – CLIFF BOWMAN, Sibley
1959 – STEWART LINN, Audubon
1960 – W. L. McNAMARA, Pella
1961 – METTA HUGI, Mason City
1962 – LARRY RIMMER, Waterloo
1963 – ARIE M. VERRIPS, Sioux Center
1964 – DONALD BAXTER, Shenandoah
1965 – MAE G. STEFFEN, Bettendorf
1966 – M. WESLEY JORDAN, Ames
1967 – DAVID A. SMITH, Algona
1968 – KENNETH E. SMITH, Indianola
1969 – ROBERT J. ALLEN, Pella
1970 – C. F. HASKELL, Harlan
1971 – VIRTUS J. CLAASEN, Bellevue
1972 – JIM LINDSAY, Ida Grove
1973 – Bill MINNER, Marshalltown
1974 – E. F. (DUTCH) WESTPHAL, Council Bluffs
1975 – MARY E. (BETTY) PAUL, Ames
1976 – WILLIAM TOBIN, Rock Rapids
1977 – PAUL J. NIEBUR, Eagle Grove
1978 – JACK FINERTY, Keokuk
1979 – AL HEITZMAN, Dubuque
1980 – CHARLES HAMMEN, Mason City
1981 – DON SCHREUR, Orange City
1982 – RICHARD J. CRAYNE, Jefferson
1983 – PETER HEGEMAN, Spirit Lake
1984 – HAROLD G. (HAL) SCHAEFER, Cedar Rapids
1985 – DEBRA RAU NEELS, Muscatine
1986 – JOE FITZPATRICK, Storm Lake
1987 – R. I. (RUSS) LONG, Indianola
1988 – DENNIS MILEFCHIK, Fort Dodge
1989 – GARY MAHANNAH, Sac City
1990 – A. CARLENE DAVIS, Mason City
1991 – SUE LAMBERT, Harlan
1992 – LARRY BURGER, Waterloo
1993 – JODY E. SMITH, West Des Moines
1994 – DOUGLAS WORDEN, Burlington
1995 – MARIAN KARR, Iowa City
1996 – ROBERT SULLIVAN, Woodbine
1997 – DONNA TYRREL, Northwood
1998 – DONNA FISHER, Spencer
1999 – DEB WHEATLEY FIELD, Atlantic
2000 – DUANE FEEKES, Orange City
2001 – JEFF ROSIEN, Washington
2002 – DEB HARTMAN, Sheffield
2003 – WANDA HEMESATH, Decorah
2004 – PATTI MOORE, Storm Lake
2005 – JULIE SEALOCK, Treynor

2006 - KAY CMELIK, Grinnell
2007 - ROXANNE SCHNEIDER, Dysart
2008 - DAWN RIDLEN, Griswold
2009 - KENT ANDERSON, Orange City
2010 - JOYCE LAWLER, Eldora
2011 - LAURA SCHAEFER, Carroll
2012 - NANCY EARLES, Prairie City
2013 - TAWNIA KAKACEK, Swisher
2014 - SALLY HINRICHSEN, Monticello
2015 – DENISE HOY, Conrad
2016 - DAISY HUFFMAN, Garner
2017 – KEVIN JACOBSON, Mason City
2018 – ONDREA ELMQUIST, Boone
2019 – BEVERLY CONRAD, Wayland
2020 – BEVERLY CONRAD, Wayland
2021 – ERIN LEARN, Manchester
2022 – KARYL BONJOUR, Webster City
2023 - TRISH GLEASON, Dubuque
2024 – TRICIA MAIERS, Dyersville