



# Copper State Ledger

## Valley of the Sun Chapter

### Winter Edition

Winter Edition

January 2012

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### President's Letter

As we begin 2012 and emerge from one of the most difficult times the construction industry has ever had to deal with, we must realize that the industry has changed and adopt smarter management practices to be successful in 2012 and beyond.

Smart management begins with integrity; contractors must follow through on their commitments to their customers. We all know that relationships are the backbone of successful construction companies, and we must keep those relationships intact by constant communication and following through with commitments.

It is also critical to develop a plan or vision for your business. This allows you to more effectively manage the direction and focus on what you need to do to get where you want to be.

Now more than ever, it is crucial to have an experienced financial manager who can help administer sound financial management practices. It is imperative that you track every cost and understand how each affects your bottom line to be profitable.

### Start the year off right in 2012

Managing overhead against available profitable work is the single most important thing a construction business can do. You must keep your financial strength intact and that often means making some tough decisions that may include downsizing or, more preferable, "right-sizing". This could mean letting people go, going part-time, or hiring some temporary employees. Ask yourself this question: Did I start this business to lose money? Of course not, so whatever you do make sure each project you bid on makes you a profit or at the very least breaks even! This reminds me of another important concept worth mentioning and understanding regarding "break-even" work. "Break-even" work must include overhead expense to be truly "break-even". The construction industry has always been cyclical so hold on, avoid losses, maintain a relatively stable financial statement, and constantly ask yourself if your decisions will sustain the business long term.

As I discussed earlier, relationships are the backbone of

successful companies and your participation in CFMA is one of the most valuable tools you possess. It is not enough to be solely a member; be a productive member. To get the most out of your membership, expand your knowledge base and make new friendships – join committees, serve on the board, and attend meetings regularly. CFMA allows for a congregation of intelligent, like-minded professionals that are immersed in the inner workings of the construction industry to gather and provide participants with access to a variety of opinions and ideas. CFMA can be beneficial for both career and personal development and can help you stay on top of what's happening in the construction industry. Take time to talk to others who have experienced success in the business to learn from their successes and failures; link up with advisors that offer different types of services – get involved!

Jim Bracy



### Valley of the Sun Chapter Mission Statement

The Valley of the Sun Chapter of the Construction Financial Management Association (CFMA) is a broad-based organization of professionals committed to serving

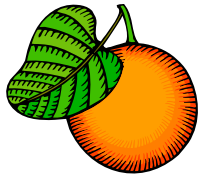
the construction industry.

We are dedicated to member service by providing a forum for the exchange of ideas and a source of educational programs directed to

their specific needs.

We strive to invest in our community through involvement in industry-related issues and charitable endeavors.





Join CFMA VOS members, family, and friends on Saturday, February 18, 9 to 11:30 a.m., to pick citrus in the Arcadia area for St. Mary's Food Bank. RSVP to [CFMA-Admin@cox.net](mailto:CFMA-Admin@cox.net).



### Basketball - ASU vs. U of A

Purchase tickets by Friday, February 3 for the social and game on March 4. Meet at Four Peaks in Tempe and go to the game together.

## VOS Leaders

## Calendar of Events

Feb 2 - Old Pueblo, Tucson  
- Paradigm Shift

Feb 10 - New Member  
Breakfast (RSVP Feb 3)

Feb 16 - Fuel Management

Feb 18 - Community Service

Feb 23 - Association Mixer

March 4 - Social Event

March 15 - Joint Meeting  
with ABA, ASA, NAWIC

- Human Resources

April 19 - Department of  
Labor Audits and Changes

April 26 - Construction  
Executive of the Year  
Banquet

May 17 - Education Forum

June - National Conference

July 19 - IT Strategy -  
Maximizing Your IT  
Investment

### Committee Meetings

Feb 6, Mar 5 - CEOY

Feb 7, Mar 6 - Membership

Feb 15, Mar 14 - Legislative

Feb 24 - Program

For up-to-the-minute dates, times, and locations, visit the VOS Events page:

<http://chapters.cfma.org/ValleyOfTheSun/events.html>

## New Member Breakfast

CFMA VOS' Membership Committee regularly holds a New Member Breakfast for those who wish to learn more about the Chapter.

The next one is scheduled for Friday, February 10, 7:30 a.m., at Romancing the Bean, 80 East Rio Salado Parkway, Tempe.

This is an opportunity for

our newest members to meet and greet current VOS members, officers, directors, and committee chairs in a small-group casual setting. Benefits include learning the advantages of membership and about participating on committees. This is an opportunity to network with peers and potential clients.

by Lisa Vaglio, McCarthy

If you are new to VOS or a member who is interested in learning how and where to become more involved, RSVP to Lisa Vaglio, Membership Co-chair, at [lvaglio@mccarthy.com](mailto:lvaglio@mccarthy.com) by Friday, February 3. Breakfast will be ordered off the menu from a delicious selection of choices.

## CFMA Valley of the Sun Officers, Board, and Committee Chairs

### Officers

President, Jim Bracy

Vice Pres., Kevin Burnett,  
*Sundt Companies*

Secretary, Tony Hakes, *CBIZ MHM*

Treasurer, Annette Johnson,  
*Morrison and Associates*

Past Pres., Kristine Newman,  
*McCarthy Bldg. Cos.*

### Board of Directors

Deborah Anderson, *Minard-Ames*

Cord Armstrong, *CBIZ MHM*

Keith Bieber, *HACI Mechanical*

Paul Boley, *The Hartford Financial*

Taylor Brockbank, *Enterprise Fleet Management*

Anne Devine Thul, *Pulice Construction*

Ryan Evans, *Metal-Weld Specialties*

Mike Fuhrmann, *FNF Construction*

Michelle Grider, *Textura*

Russ Kimberlin, *Mansperger Patterson McMullin*

Dave Miller, *Jokake*

Sam Napolitano, *Hunter Contracting*

Jan Smith, *Clifton Gunderson*

John Verhoff, *Core Construction*

### Committee Chairs

Budget, *Annette Johnson*  
Career Services, *Greg Gross*

Education, *Marj Weber, Nancy Palmer*

CEOY, *D. Anderson, A. Devine Thul, R. Evans, J. Perkins*

Golf, *Lisa Autino, Taylor Brockbank*

Legislative, *Kevin Burnett*

Membership, *Keith Bieber, Lisa Vaglio*

Newsletter, *Lisa Autino, Michelle Grider*

Programs, *Cindy Lee, Stephan King*

Salary Survey, *Rayleen Colletti*

Scholarship, *David James, Moni LaLonde*

Succession Planning, *Tom Lawless*



## CFMA Arizona Construction Executive of the Year

Thursday, April 26, 2012, Hilton Scottsdale Resort & Villas

Title Sponsor

by Debby Anderson, Minard-Ames Insurance Services

2012 marks VOS' 12<sup>th</sup> annual event, so make plans now to attend!

Thanks to our **Title Sponsor, DPR Construction**, we are off to a strong start and anticipate another successful event this year.

Dave Pratt is back by popular demand as our Emcee, and you're sure to want to enjoy the rest of this year's lineup.

This year's Pioneer of the Year Award winners are Halsey and Tom Royden. Halsey started Royden Construction in 1927 and, upon his retirement in 1967, the company was handed down to his son, Thomas S. Royden. Their legacy lives on under the leadership of the third generation, Tom Royden, Jr., and he will be on hand to help us pay tribute to his father and grandfather. We'll hear about their influence in heavy highway and bridge work all across

Arizona for an amazing 85 years! Now, those are true Pioneers!!

Special thanks to all of you for making this event happen. Be sure to take advantage of the **Early Bird discount** for both **sponsorships and registrations**. Stretch your dollars and sign up by **Feb. 17 and you'll save 10%!**

Of course, we also need **nominations** for the Construction Executive of the Year. Each year we look for leaders in the construction industry in Arizona who have made extensive contributions to the industry, their companies, their employees, and the community. Our list of nominees is ultimately reduced to four finalists, each of whom is worthy of being honored as our Arizona Construction Executive of the Year. Past recipients of the award have included Mike Fann, President of Fann Contracting; Marcia

Veidmark, President and CEO of Specialized Services Company; and Lorraine Bergman, President of Caliente Construction. Our finalists will be announced at the March 15 Joint Association Meeting, so be sure your nominee is included.

We have a great committee this year, so please contact any of our co-chairs for more information:

Ryan Evans –

[RyanE@Metal-Weld.com](mailto:RyanE@Metal-Weld.com)

Debby Anderson –

[danderson@minardames.com](mailto:danderson@minardames.com)

Jessica Perkins –

[jessicap@sunlandasphalt.com](mailto:jessicap@sunlandasphalt.com)

Anne Devine-Thul –

[andethul@pulice.com](mailto:andethul@pulice.com)

You'll find Sponsor

Commitment forms as well as Nomination forms on the CFMA website, so **don't wait** – check it out at <http://chapters.cfma.org/ValleyOfTheSun/index.htm>

**Nominations due  
by January 31**

**Early Bird  
Discount Expires  
February 17**

**12<sup>th</sup> annual CEoY  
promises to be a  
stellar evening**

## Fourth Annual Education Forum

Mark your calendars; the CFMA Valley of the Sun Chapter Education Committee is busy building its **"Bridge to Recovery"** for the 4th Annual Education Forum Thursday, May 17, 2012. As an added convenience, this year's Forum will once again be held in conjunction with the May monthly luncheon. The Forum is packed with current **Economic, Succession, and Updated Industry Topics** that no CFM should miss. CPE Credits will be offered for both the full day session

(8 credits) and/or either half day session (4 credits). All registrations will include the lunch program. *The Forum and Lunch will be held at the Phoenix Airport Marriott, 1101 N. 44<sup>th</sup> St., Phoenix, AZ*

### Topics include:

Succession and Continuity Planning  
EMOD and NCCI Changes  
FASB – the latest on Revenue Recognition and Leases  
State of the Arizona Economy with **Jim Rounds of Elliott Pollack & Co** (back by popular demand)  
Bankers Panel – Credit

by Nancy Palmer, Agate Steele

Worthiness – from their perspective  
Cloud Computing  
Fraud in Construction

We wish to recognize the generous sponsors of the Forum:

**CBIZ MHM  
Morrison and Associates  
Moss Adams**

For additional sponsor opportunities, please contact Marj Weber at [Marge@Irontree.net](mailto:Marge@Irontree.net) or Nancy Palmer at [Nancy.Palmer@agateinc.com](mailto:Nancy.Palmer@agateinc.com)



**Bridge to  
Recovery**

## CFMA's 2012 Annual Conference and Exhibition

Making Connections

June 23-27 Orlando, Florida

Registration is open at <http://www.cfma.org/>

### CFMA Program Committee: Working Hard? or Hardly Working?!

by Cindy Lee, Haydon Building Corp

If you have ever wondered about the mysterious inner workings of the Program Committee, feel free to join us at our next meeting. It's scheduled for Friday, February 24, 2012 from 3:30 to 5 p.m. in the lounge of the DoubleTree at 44<sup>th</sup> Street and Van Buren – the site of our regular monthly lunches. We are always looking for new members – especially the ones who are buying us libations!

I am happy to say that we have scheduled our speakers out into the summer. February 16, it's Eric Newton of Comdata speaking on fuel management. March 15 is our joint meeting with NAWIC and ABA, and our speaker will be Karen Stafford on an HR topic to be determined. April 19 is Julie Pace speaking on the topic of DOL audits. May 17 is our Education Forum, *Bridge to Recovery*, and the lunch speaker, economist Jim Rounds of Elliott Pollick, will be a part of the overall program put on by our fabulous Education Committee. Stay tuned for more specific information. June we do not meet on account of the National CFMA conference. Finally, in

July we will hear from Chris Lake on IT strategy and how to maximize IT investments. They should all be excellent programs, and we look forward to seeing you there. Remember that we give you CPE credits, too!

The first opening we have is for the August meeting, so please keep your ideas and suggestions coming. You may email them directly to either me, [CLee@Haydonbc.com](mailto:CLee@Haydonbc.com) or my co-chair, Stephan King, [Steve@skingcpa.com](mailto:Steve@skingcpa.com). We are always looking for new ideas, and I can assure you that we do consider each and every one. No idea is a bad idea especially after a beer or two. Just remember that we do not generally compensate our speakers.

I want to report back officially the results of our informal survey regarding the possibility of a venue change to the Phoenix Country Club (PCC) for our monthly lunches. And the survey says: we are basically apathetic, change-averse, and apparently, rubber chicken doesn't really bother us that much. Of the whopping 24 members who cared enough to respond,

only 11 were in favor of a move to the PCC. Seven wanted to stay at the DoubleTree, and six wanted neither the DoubleTree nor the PCC, but instead wanted us to move somewhere closer to them. All 24 respondents mentioned location, and by that I mean proximity to their workplace, as the most important concern. Amazingly, food quality was not a major concern. One respondent, who shall remain unnamed, said that s/he could not perceive any difference between the food at PCC and the DoubleTree!!!! Honestly, you people scare me sometimes!!!

In conclusion, 11 votes to move back to PCC cannot be construed as a mandate to go. Some of us old-timers recall those dark days when we were forced to wander from hotel to hotel dazed and confused looking for parking trying to remember where the meeting was....Perhaps it is best for now to stay put where we are. So keep the cards and letters coming. Your CFMA Program Committee is hard at work for you.

### Golf

Even though it is the "off season" for the Golf Committee we want to make sure that you are all aware of the plans for the 22<sup>nd</sup> Annual CFMA Valley of the Sun Golf Classic presented by **CBIZ & Mayer, Hoffman, McCann P.C.** Please save the date for Wednesday,

October 10<sup>th</sup> for a 7:30 a.m. shotgun start at McCormick Ranch Golf Club. We would like to have enough participants this year to secure both courses, so start thinking about your foursomes (John, we know you are already working on yours). The first committee

by Taylor Brockbank, Enterprise Fleet Management

meeting will be announced in a few months to take place in the spring. If you have any questions please feel free to reach out to the tournament co-chairs Tom Lawless at [tlawless@pulice.com](mailto:tlawless@pulice.com) or Taylor Brockbank at [Taylor.R.Brockbank@efleets.com](mailto:Taylor.R.Brockbank@efleets.com).



## around the chapter



Another edition of the Copper State Ledger and another update of recent events – not necessarily newsworthy, but interesting and amusing nonetheless, and therefore reportable!

In the short time since this last column, we have had some awesome programs and events and are busy planning for the spring and fall events. The November lunch with Greg Chiampou of Contango Capital Advisors, educating all of us on the many options for succession continuity planning, was both informative and entertaining.

Our December Holiday Luncheon found the Program Committee shaking it up a bit with a round of Table Scavenger Hunt. The game was kept secret so no attendees could plan ahead. It was great fun – with the winning table having almost 50 of the items on the list. For those of you in attendance, you can rest assured that a certain Chapter Officer received new socks from Santa! So a Chapter wide collection drive will not be necessary after all. Though most proclaimed this the best Holiday event yet – there were some grumbles from the men in attendance about women and their purses! I must note we did collect a serious amount of toys and \$450 in cash to

contribute to ABA's Annual Toy Drive. Thanks to the Program Committee (and specifically Cindy Lee) for the ingenious idea and to all of the attendees for your generosity. Now we just have to think of another Table "game" we can play next year.

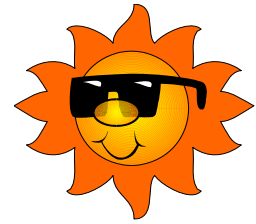
At this same event a discussion occurred at one of the tables that spurred the topic for our January lunch – an update on payroll taxes, 1099s, and reporting of the same. As a last-minute substitution, Stephan King, *retiring* Partner of Moss Adams, stepped up to present. And an excellent job he did. We look forward to hearing more about his new venture out in practice on his own – Good Luck, Stephan!

Speaking of new ventures, I must mention some of the new arrivals and future CFMA members that have joined our "family" over the last several months, starting with Michelle Grider's son, Evan; Ryan Evan's son, Corbin; Kris Newman's son, Finley, and Glenda Whitten's grandson, Charlie. Where are the girls??? I know over the years we seem to have more female Chapter Officers, but this is overdoing it, don't you think?

Getting back to the future – upcoming in April we

have our annual Construction Executive of the Year Banquet; in May the 4<sup>th</sup> Annual Education Forum, *Bridge to Recovery*; and in June, the Annual CFMA Conference and Exhibition in Orlando Florida (check out the CFMA website for the Conference schedule – you might recognize some of the scheduled speakers). In February, at our Chapter Annual Membership Lunch, we will elect new Board Officers and Directors to lead our Chapter for 2012 and into 2013. Though the Golf Committee is on a short, well-deserved hiatus, they will start planning very soon for the annual event in October. And keep an eye on your emails late this summer for notice on this year's CCIFP Overview and Exam. Along with all of this will be our monthly luncheons, with interesting topics and excellent speakers to inform and entertain. As usual the VOS leaders and committees spend many hours making sure our Chapter provides its members with plenty of opportunity for education and networking – the core values of VOS CFMA.

Until next time....



thanks to Marj Weber, Irontree Construction, for *around the chapter*

Marj provides  
news you can use!



Glenda's son Joseph and grandson Charlie

## VOS Member becomes Tough Mudder

by Mike Schmidt, MJ Insurance



**Let the games begin!**

Tough Mudder events are hardcore 10-12 mile obstacle courses designed by British Special Forces to test your all around strength, stamina, mental grit, and camaraderie. As the leading company in the booming obstacle course industry, Tough Mudder has already challenged half a million inspiring participants worldwide and raised more than \$2 million dollars for the Wounded Warrior Project. But Tough Mudder is more than an event, it's a way of thinking. By running a Tough Mudder challenge, you'll unlock a true sense of accomplishment, have a great time, and discover a camaraderie with your fellow participants that's experienced all too rarely these days



And now, one walks among us. Here's Mike's story. My younger brother and I recently decided we would "test our manliness" in participating in an event called the Tough Mudder. I have

always enjoyed playing in the mud, running through obstacles since I was little, and I also have on my bucket list to run a half marathon... so, I figured why not kill two birds with one stone? The Tough Mudder is an event designed by British Special Forces (and then capitalized on by money-making Americans) to be what they claim is "probably the toughest event on the planet." The Arizona Tough Mudder was January 14<sup>th</sup> & 15<sup>th</sup> and included a 12.5 mile long run and 29 grueling obstacles – highlighted by a few key events....

**The Arctic Enema** – an icy cold bath (literally it is filled with water & ice) wherein you must jump in, completely submerge yourself and swim under a small opening before leaving the frozen jacuzzi.

**Berlin Walls** – 12 foot high walls you must scale in order to move forward in the race... extra tough when wet & muddy.

**Mud Mile** – run through

a mile of messy, thick, energy-zapping mud ... a little dirty.

**Electroshock Therapy** – running and crawling through a muddy slop of live wires, which carry a 10,000 volt electric shock... (that one really hurt).

Our team was Schmidt Happens, and we completed the race in just over two hours. Our only real battle wounds were a torn off fingernail, barbed wire cuts in the back, a handful of brain cells that were surely killed during the 10,000 volt shocks, and mud stuck everywhere imaginable. In the end, we didn't find our manliness, but realized we were just a couple of brothers who like to run around, pretend we're in the Army, and play in the mud.

The event is a major fund raiser for the Wounded Warrior Project that provides programs and services for injured service members and really builds on team unity, not just individual effort.



## Scholarships, CCIFPs, ASU Recognition programs . . . so where is the connection?

by David James, CCIFP and proud Alumni of the University of Kansas (you'll understand this soon)

Where to begin . . . our Chapter has a Scholarship program to assist students with their academic endeavors; our Chapter has partnered with ASU and NAU to provide scholarships from endowments we have established with each university; our Chapter has numerous CCIFPs, with "more on the way"; and we challenge ourselves to expand, explore and grow our chapter and peer networking . . . so let's talk specifics:

Our scholarship program provides scholarships twice a year (fall and spring, go figure) to aspiring, but financially challenged students to assist in their academic growth. I would like to tell the "rest of the story" regarding two such recipients. *Side note here*; only those in MY generation will recall Paul Harvey's "rest of the story" . . . but even the younger generations will be able to figure it out . . . as they read on.

First, let's look at the story behind one of the current year's recipients, Elizabeth (Liz) Lawless. Despite her poor choice of schools (Kansas State University – Tom, I had to . . . sorry), she is focusing on her studies in their School of Business (I did not know K-State even had business studies, aren't they an Agri-College?). Despite her choice of schools, Liz is a great example of our Chapter Mission Statement as she noted in her thank you letter, stating "it definitely makes me want to continue

towards being a part of an organization like yours".

Second, let's hear about Ryan Spriggs, a CFMA VOS scholarship recipient twice (yes, we allow repeat applications). Ryan received assistance during his college studies as well as when he was working as a controller in our industry and continuing to pursue further academic achievements. Now an account executive at Travelers (FNF's carrier - yes!) Ryan has commented that "the CFMA scholarship I received while in college helped me to walk away with a degree and no debt. I had \$200 to my name when I graduated. CFMA kept me out of student loan debt. I am extremely grateful to the CFMA for that." This is what our Scholarship program is all about! Oh, did I mention that Ryan's dad was in CFMA? Oh, did I mention Ryan will be on the VOS Board of Directors as of April 1<sup>st</sup>? Oh, did I mention Ryan is a nominee for Republican Presidential nominee??? (OK, just kidding on this one).

However . . . some of you more astute (non K-State alumni) CFMA members have been asking . . . "OK, this is cool stuff, but how does this tie to the CCIFP certification?" Well, stress no more . . . here's the deal: Ryan is asking about the process and testing criteria to test and become CERTIFIED! Go Ryan! Our chapter continues to encourage taking this fun (?) and exciting exam to be a CCIFP.

And speaking of CCIFPs, please join me in welcoming the latest Valley of the Sun CCIFPs - Lisa Autino and Amanda Neuheisel from Corbins Electric - having tested here in Phoenix; and Christine Kettelkamp - having tested in Las Vegas. I am thinking the water at Corbins has some CCIFP drugs in it . . . but you did not hear that from me. . . however, I have asked them to bottle it . . . ! And Christine, you gotta admit 4½ hours of certification testing certainly beats 4½ hours in front of those boring slot machines - and the payoff MUCH greater!

Full circle - - - back to the Scholarship program CFMA VOS offers to students - - Moni LaLonde (my esteemed Co-chair) recently attended an ASU recognition breakfast, offering them the chance to say "thanks" to the scholarship donors, including VOS. Following this program, Moni received an email from another CFMA scholarship recipient, Jared Stradling, who stated in part, "I really appreciate the generous scholarship, it has been a tremendous help to me."

Enough said – CFMA VOS has a great program for students; has a great certification opportunity for members; and, although I hate to admit it . . . K-State ain't so bad . . . so long as the student's focus is on business/accounting/construction and not the farming thing!!



NORTHERN  
ARIZONA  
UNIVERSITY



FLAGSTAFF

ASU  
ARIZONA STATE  
UNIVERSITY

## ARIZONA CONSTRUCTION INDUSTRY COMPENSATION SURVEY

by Rayleen F. Colletti, CPA, Hunter, Hagan & Co.



Purchase Your Copy  
of the Salary Survey at

<http://chapters.cfma.org/ValleyOfTheSun/index.htm>

We are pleased to announce the electronic version of the **2011 Arizona Construction Industry Compensation Survey** is now available and can be purchased at a cost of \$100 per copy through the CFMA Valley of the Sun Chapter website located under the "Publications" section.

Members of the **2011 CFMA Valley of the Sun Construction Industry Compensation Survey Committee** are:

Rayleen Colletti, Chair  
Dave Goris, D.P. Electric  
Carol Hagen, Hagen Business Systems  
Moni LaLonde, Lovitt & Touché  
Gina Nelson, Hire Resolutions/Hire Impression  
Phil Taylor, Taylor., Duffy & Associates

Please join me in expressing my thanks to these committee members for their hard work and dedication in the preparation of this survey, compiling the data, and publishing the results. We would also like to express our appreciation to the other industry associations that cooperated in the production of this survey and the individuals who took the time and effort to complete the survey questionnaire.

We had a total of **88** participants for the 2011 survey and of the 88 participants, 64 are members of the CFMA Valley of the Sun Chapter - great participation by our Chapter!

The survey provides information regarding base compensation levels for thirty-three different

management and support positions and analysis of various types of employee benefit programs. We had excellent representation from the major contractors; out of the 88 participants, 44 were Contractors with over 100 employees.

Should you have any questions or comments regarding this year's survey or suggestions for future surveys, please contact Rayleen F. Colletti, CPA at Hunter Hagan & Company, 480/946-0751 or

[rayleen@hunterhagan.com](mailto:rayleen@hunterhagan.com).

If you wish to purchase a copy or view a sample of the report, please visit the CFMA Valley of the Sun Chapter website and go to the "publications" section, or email your requests directly to Glenda at [CFMA-Admin@cox.net](mailto:CFMA-Admin@cox.net).

## Succession Planning

by Tom Lawless, Pulice Construction

The succession planning for the 2012-13 year is now complete. Once again we are very lucky to have so many qualified members willing to step up for our chapter. The new officers and directors will be voted on at the February lunch meeting and will take office on April 1, 2012.

**The Officers will be:**  
President - Kevin Burnett, Sundt Companies  
Vice President - Anne Devine Thul, Pulice Construction  
Secretary - Tony Hakes, MHM  
Treasurer - Ryan Evans, Metal-Weld Specialties  
Past President - Jim Bracy

**The new Board Members will be:**

Jennifer Ayers, DPR Construction  
Michael Riordan, Sunland Asphalt  
Lisa Vaglio, McCarthy Building Co's  
Ryan Spriggs, Travelers Indemnity Co.

**Committee Chairs will be:**

Budget-Finance - Ryan Evans  
Career Services - Greg Gross  
CEOY Banquet - Deborah Anderson, Anne Devine Thul, Ryan Evans, and Jennifer Perkins  
Education - Marj Weber and Nancy Palmer  
Golf Tournament - Taylor Brockbank & Tom Lawless  
Legislative - Kevin Burnett  
Membership - Lisa Vaglio and

Lynne Pace  
Newsletter - Michelle Grider  
Blog - Lynne Pace  
Program - Stephan King and Cindy Lee  
Salary Survey - Rayleen Colletti  
Scholarship - Dave James and Moni Lalonde  
Succession Planning - Tom Lawless

If you are not already serving on a committee, please think about joining one. You will add to the value of your CFMA membership by getting more involved. You will also meet some of the best and most talented people in our industry as well as keep the Valley of the Sun Chapter among the best in the nation.

**VOS Members  
Vote on the  
2012-13 Board  
Officers and  
Directors at the  
February 16  
Annual Meeting**

## 2012 Legislative Session

by Kevin Burnett, Sundt Companies

After a quiet fall, the 2012 Legislative session began with the initiation of a few proposed bills, most of which will only have a minor impact to our industry. Of more importance are initiatives such as “We Build Arizona” which will make the one percent increase in the sales tax rate due to expire in May 2013 permanent with the proceeds to be used for K-12, colleges and universities, construction, and the AGC initiative to promote a comprehensive transportation funding plan. We would encourage our members to visit their websites “We Build Arizona” at [www.azagc.org/advocacy/we-build-arizona](http://www.azagc.org/advocacy/we-build-arizona) and AGC at [www.agc.org/roads](http://www.agc.org/roads).

There are two new contractor preference laws in states adjoining Arizona; Nevada which was discussed in our summer newsletter and New Mexico which was enacted during the 4<sup>th</sup> calendar quarter of 2011. These preference laws relate to public works contracts in those states that are only funded by state or municipal resources. They do not pertain to private or contracts that contain federal funds in those states.

We would also like to thank our members who used the AGC website to send letters to their Congressman and Senators to repeal the 3% withholding of federal contracts. Our efforts were successful in conjunction with other groups of getting the law repealed.

### **Proposed Legislation** Energy Conservation

House Bill (HB) 2083 establishes a number of green initiatives such as:

- 1.Requires school districts to use green cleaning products.
- 2.Sets forth energy and water conservation requirements for school districts and public buildings that will be phased in over the next five years.
- 3.Requires school districts and public buildings to buy a percentage of their energy from green renewable sources.
- 4.Sets aside at least \$10 million to provide loans to school districts and other public agencies to fund the construction of energy and water conservation projects.

### Contractor Preference Law

HB 2392 grants preference in awarding state contracts to companies headquartered in the state of Arizona. This is an abbreviated bill that will be expanded as the session moves forward.

### Procurement Practices of School Districts/Charter Schools

Senate Bill (SB) 1060 simplifies the procurement of contracts less than \$150,000. School districts must draft a policy for soliciting bids on contracts less than \$150,000 that will be reviewed and approved by the Auditor General. The school district must maintain a list of those companies wishing to bid contracts less than \$150,000 and use an electronic on-line bidding system. The legislation also provides guidelines for job order contracting on contracts greater than \$1 million.

### Transaction Privilege Tax Committee

HB 2123 creates a committee to study our state’s income and transaction privilege tax structure and make recommendations to simplify the structure. This includes exploring the phase out of state personal and corporate income taxes and replacing it with an increased transaction privilege tax. The committee is charged with any proposed changes being revenue neutral.

### Minimum Elements to a Contract

HB 2447 proposes some minor definition changes to minimum elements of a contract.

### Bid Requirements

SB 1124 amends Arizona Revised Statutes (ARS) section 28-6923 that requires a bidder to obtain insurance from an insurer authorized to transact insurance in the state. This also covers surplus lines. The insurer has to be approved by the State’s Department of Insurance.

### Handyman Exemptions

HB 2126 amends ARS section 32-1121 to require a contractor’s license for companies installing fire safety devices and connecting equipment to any supply of natural gas, propane, or other gaseous fuels.

### Minimum School Facility Adequacy Requirements

HB 2578 amends ARS sections 15-2011, 2031, 2041 and repeals sections 15-2063 and 15-2092. The bill provides some minor clarification of definitions contained in this statute.



*Members are encouraged to visit the We Build Arizona website at [www.azagc.org/advocacy/we-build-arizona](http://www.azagc.org/advocacy/we-build-arizona) and the AGC site at [www.agc.org/roads](http://www.agc.org/roads)*

Copper State Ledger is the official publication of the Construction Financial Management Association, Valley of the Sun Chapter. CFMA is a non-profit association dedicated to the financial person in construction. Membership information is available on the web at <http://www.cfma.org/membership> and the local web site is <http://chapters.cfma.org/ValleyOfTheSun/index.htm> where you'll find even more information.

**CFMA Valley of the Sun Chapter**



**CFMA Arizona Construction Executive Of The Year 2012  
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