

the Bottom Line

for Kentucky CPAs

October, 1982

1982 Federal Tax Institute features expanded 2½-day program

The 1982 Kentucky Institute on Federal Taxation will begin this year on Wednesday, December 1 at 12:30 P.M. and will continue through 5:00 PM Friday, December 3. The Committee added the extra half-day to allow time for more programs of interest to small and medium-sized public accounting firms.

The Institute will again be held at the Commonwealth Convention Center in downtown Louisville. A block of sleeping rooms has been reserved at the Hyatt Regency, Louisville. The rooms will be held for us until November 15, so members wishing to stay at the Hyatt are urged to make their reservations early. Be sure to mention you are attending the Federal Tax Institute to qualify for the special rate.

With its expanded format, attendance at the 1982 Tax Institute will earn approximately 20 hours of CPE credit. The registration fee will be only \$115.00 and will include all materials, luncheons on Thursday and Friday and a cocktail reception at the Seelbach Hotel Wednesday evening.

Registration forms will be in your hands soon. Watch for them and please register early.

State Cabinet Secretaries recognized at awards night

The Awards Night Dinner/Dance offers the Society an opportunity to recognize certificate recipients, those who have passed the most recent examination and outstanding Society members.

At the September 24 gala, Society members *Ronald G. Geary*, *W. Bruce Lunsford*, and *Robert L. Warren* were recognized by Society President *Don Zeman* for their Cabinet-level positions within state government and contributions to the profession.

Ron is serving as Secretary of the Revenue Cabinet. Until recently Ron served as an appointed member of the Financial Disclosure Review Commission and still serves as a member of the State Property and Building Commission. His wife Linda attended the dinner with him.

Secretary of the Kentucky Commerce Cabinet is Bruce's position in Kentucky state government. During his tenure as
(Continued, page 3, column 1)



Seated in front of their husbands from left to right are **Becky Lunsford**, **Penny Warren** and **Linda Geary**. Standing are **Bruce Lunsford**, **Bob Warren** and **Ron Geary**.

President's message

The final statistics on CompuFest '82 are in, and, while this program was given a lot of ink in last month's *Bottom Line*, it is interesting to look at the statistics on the program. First of all, we had over 5,000 people attend the exhibition. Next, we have some interesting statistics resulting from a comparative evaluation of the program with exhibitions of prior years. Each vendor was asked to give us an evaluation based on 16 elements. The results ranged from a high of 93 to a low of 78 (out of a possible one hundred). Most importantly, ninety-three percent of the vendors expected to return.

It appears that all of the vendors were quite impressed with the advertising campaign that the Kentucky Society mounted in support of CompuFest. In addition, they were impressed with the number and quality of people that came through the turnstiles to look at equipment and listen to the various programs that the vendors had to offer.

The Board of Directors, at its September meeting, received a final report from *Bobby Owens* (for which he got a very loud and rousing ovation) together with an indication that he hopes that we will continue the program. There are other organizations which would like to have this show as their own. It appeared there is strong consensus from the Board that this is an activity the Kentucky Society of CPAs, representing the membership, should continue to promote.

There was a question raised about the type of presentation that would be appropriate for a member, registering as a vendor, to make in a show of this kind. This will be dealt with in the near future. Overall, the reaction from the business community, the members of the Board and most of the members of the Society who have given us a reaction, is the feeling that we should continue with CompuFest. It takes a great volunteer effort, and again, our thanks to Bobby Owens and his committee. The show itself does not cost the Society, in fact, we realized enough profit from CompuFest to cover most of the overhead of the Society. So, as of now the committee is continuing with the concept that sponsorship of CompuFest is an ongoing program of the Kentucky Society of CPAs and if you

have any comments, I suggest you address them to Bobby Owens and the Computer and Information Systems Committee. Again, our thanks to these gentlemen.

On another note, it was a pleasure to see the likes of *Ron Geary*, *Bruce Lunsford*, and *Bob Warren* at our Awards Night Dinner/Dance on Friday, September 24. I think that we are very fortunate to have professionals such as these represent us in Kentucky government. They are young, energetic, and give notice that a new breed of government official is willing and anxious to make government, particularly state government, do well.

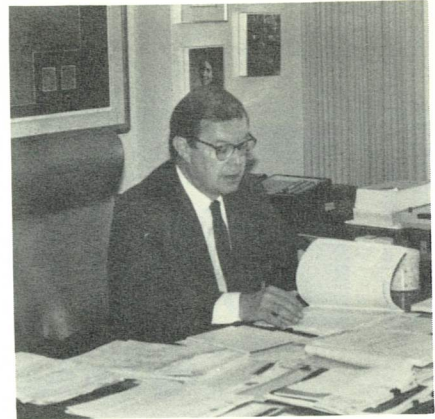
We should recognize that as CPAs, we might have the responsibility to do whatever we can to make sure that state and local governments function well. This does not mean that we have to agree with positions taken by officials, but we should always be positive by providing input to make local government function better. We also have a responsibility to help Kentucky develop its economic base. The Kentucky Society of CPAs represents a very powerful group of business leaders. We should make sure that we are recognized for that leadership and promote, assist and grow as Kentucky grows.

Also, it is a delight to see so many young smiling faces represented at the Awards Night Dinner/Dance, eager to receive their certificates. I particularly want to recognize those who received awards for outstanding performance on the May, 1982 CPA examination. Their names are reported fully in another article in this issue. I'm sure I speak for all members when I congratulate them on behalf of the Society and welcome them into the profession.

A quality CPA firm needs a CPA exam passed accountant with one to four years experience. Near term partnership potential. Please contact Carney, Wilburn & Co., P.O. Box 123, Somerset, KY 42501.

Merger-Acquisition

Expanding Louisville CPA firm wishes to merge or purchase individual practices. Cash or terms. Please respond to *The Bottom Line*, Box 10.



DONALD J. ZEMAN



Published by
The Kentucky Society
Of Certified
Public Accountants

310 W. Liberty, Louisville, Ky. 40202

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West Kentucky — Robert K. Martin

Awards night

(Continued from page 1)

Deputy Secretary of the Development Cabinet, he also held the Chairmanships of the Kentucky Department Finance Authority (KDFA) and the Kentucky Industrial Revenue Bond Oversight Committee. During the last legislative session, he served as the Governor's Legislative Liaison. Becky, his wife, attended the event with him.

In 1979, Bob Warren became the Budget Director and Deputy Secretary for Finance and Administration. Then last August, Bob was named by Governor Brown to assume the duties of the Secretary of Finance and Administration. His wife, Penny, attended the dinner with him.

The Society congratulates these members on their achievements and wishes them well in the future.

The future of many appeared bright at Awards Night. Forty new CPAs, who chose to receive their certificates at awards night were recognized. The following were presented with their certificates:

John R. Ashcraft, Jr.
C. William Dye, CPA, Elizabethtown
John L. Beebe
Coopers & Lybrand, Lexington
Charlotte R. Burton
Ernst & Whinney, Louisville



Congratulations to these successful candidates in the May 1982 CPA examination, who were recognized at the dinner for passing the exam on their first attempt. Seated from left to right, **Tracy Arnold, Joyce Newell, and Patricia Hurst.** Standing from left to right, **Charles Williamson, Leelan Greer, Charles Martin, Kenric Belsak and James Brumleve.**

Patrick A. Cecil
Jones, Nale and Mattingly, Louisville
William E. Chady
Christen, Brown & Rufer, Louisville
Richard L. Cripe
Christen, Brown & Rufer, Louisville
Mark A. Crowley
Ernst & Whinney, Louisville
Cynthia E. Darnell
Ernst & Whinney, Louisville
Robin F. Dorman
Wahl, Veeneman & Collins, Louisville

Alice C. Downs
Christen, Brown & Rufer, Louisville
David R. Ecton
Monroe Shine & Co., Inc., New Albany, IN
Byron E. Ellis
Auditor of Public Accounts, Frankfort
Jeffrie L. Erb
Arthur Andersen & Co., Louisville
Terry W. Flinchum
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Gerald W. Gerichs
Carpenter, Strothman & Bolin, Louisville
Diane M. Heintzman
Wasserman & Noe, Louisville
Martin J. Hickey
Welenken, Himmelfarb & Co., Louisville
Daniel L. Holmes
Kentucky Revenue Cabinet, Ashland
Marcia M. Kreke
Von Lehman, Kist and Company, Ft. Mitchell
Gregory S. Kever
Deloitte Haskins & Sells, Louisville
Pamela A. Mayne
Ernst & Whinney, Lexington
Keith D. McCoy
Cooley, Hall and Harris, Prestonsburg
Kipley J. McNally
Ernst & Whinney, Lexington
Sharon A. Merritt
Deloitte Haskins & Sells, Lexington



Society President **Don Zeman** congratulates Society Award winner, **Jimmy Shackelford.**

(Continued, page 14, column 2)

New legislation affecting CPAs and State and Local Government

Compiled by David W. Lester, Committee Member
Cooperation with State and Local Governmental Agencies Committee

The 1982 session of the Kentucky General Assembly was a busy one. Kentucky lawmakers saw to it that very few of us went unaffected, particularly CPAs and state and local governments, as numerous bills were introduced and passed which impact the accounting profession and state and local governments.

One important project of the Cooperation with State and Local Governmental Agencies Committee was to research and report to the Society members concerning significant legislation passed by the 1982 General Assembly which might have impact on CPAs, in general, as they relate to state and local governments in Kentucky.

We have summarized below by Senate (SB) and House Bill (HB), any significant legislation passed which may impact CPAs, in general and as they relate to state and local governments in Kentucky. Please keep in mind as you review these bills that this is a summary of the legislation. The full text of each bill can be obtained by contacting the Legislative Research Commission in Frankfort. Furthermore, other bills were passed which could have some impact on state and local governments but are **not** included unless they could impact the financial, accounting or audit activities of state and local governments. A complete summary of all legislative measures sent to the Governor can be obtained by ordering Informational Bulletin No. 143 from the Legislative Research Commission, Frankfort, KY.

SB-17 — Response to Audit Reports

The Bill amends KRS 43.090 to require an audited agency to respond to a draft audit report within 15 days of receipt from the Auditor of Public Accounts. It requires an audited agency to notify the Legislative Research Commission of the recommendations it has implemented or not implemented and the reasons for failure to implement any recommendations within 60 days of receipt of a final audit report from the Auditor of Public Accounts.

It also requires the Auditor of Public Accounts to list by agency, in his biennial report to the General Assembly, the audit recommendations that have not been implemented, and an agency's reasons for such non-implementation.

SB-152 — Small Purchases

The Bill amends KRS 424.260 (advertisement for bids) to require bids for contracts for purchase or lease involving an expenditure of \$7,500, rather than \$5,000.

SB-152 does **not** affect those local public agencies operating under the model procurement code pursuant to KRS 45A.343, nor does it affect the small purchase procedures established in KRS 45A.385 for local public agencies operating pursuant to the model procurement code. For counties operating pursuant to the model procurement code, contracts over \$5,000 must be open for bid.

SB-264 — Auditing Requirements for Sixth Class Cities with Small Budgets

This Bill provides for an audit of each fund of a city of the sixth class upon expiration of the terms of all legislative body members, or those elected in odd numbered years if the city has staggered terms, rather than on an annual basis. The audit must be completed not later than 270 days from the expiration of such terms.

In addition, a city which expends and receives from all sources and for all purposes, less than \$25,000 and which has no long-term general obligation or revenue debt, may comply fully with KRS 424.220 (the financial statement statute), which compliance shall be in lieu of the requirements for an annual audit.

SB-352 — Responsibilities of Department for Local Government

The Bill creates a new section of KRS 147A.002 to 147A.050 to require, among other things, the Department for Local Government to provide

annually instruction to county clerks, sheriffs, jailers, and county treasurers regarding their duties and responsibilities in handling public funds.

HB-133 — Distribution of Audit Reports

The Bill changes the required distribution of audit reports by KRS 91A to require three copies to be submitted to the Department for Community and Regional Development (DCRD) and DCRD will forward one copy to the Legislative Research Commission.

HB-324 — Permissive Audits of County Offices

The Bill amends KRS 43.070 to permit rather than require the state auditor to audit county judges/executives, county attorneys, coroners and constables. It amends KRS 64.810 to require sheriffs, county clerks and jailers to notify the state auditor if they wish to employ a private auditor, conditions permission for employment of independent private auditors by county officers upon refusal of the state auditor to perform such, or upon his failure to respond to notice of intent to employ such auditors. It places time and reporting requirements on private auditors and permits the state auditor to review the work of private auditors and conduct a second audit if discrepancies are found. The conclusions of the state auditor shall be deemed official.

HB-342 — U.S. Internal Revenue Code Reference

The Bill brings Kentucky's income tax legislation into conformity with the Internal Revenue Code as of December 31, 1981. However, except for leases, the provisions of the Economic Recovery Tax Act of 1981 became effective on the dates specified in that Act. The Bill limits the amount of deduction allowed corporations under Section 168 of the Internal Revenue Code, relating to depreciation.

HB-429 — Municipal Audits and Publication of Financial Statements

This Bill makes a number of changes in the requirements for publication of financial data by the cities of the Commonwealth. The Bill makes technical amendments to the language of KRS 91A.040 relating to the conduct of audits by all classes of cities.

This Bill also authorizes the preparation of the "financial statement" (a listing of the receipts and disbursements of the city for the previous fiscal year), as before on a comprehensive basis, or in the aggregate by source and payee. Small cities, those with an annual budget of less than \$25,000 and no long term debt, are exempted from conducting an annual audit if the city prepares and publishes a "financial statement."

The financial publication requirements of cities can be summarized as follows:

- A. First and second class cities — upon completion of the annual audit, the publication of the auditor's report and the General Purpose Financial Statements of the city.
- B. Third, fourth, fifth, and sixth class cities:
 1. Within 90 days of the close of the fiscal year, preparation of the "Financial Statement" in the aggregate or comprehensive, and publication of a notice of preparation.
 2. Within 60 days after the completion of the annual audit, publication of either:
 - a. the "financial statement," or
 - b. the auditor's report and the General Purpose Financial Statements of the city, including a notice that copies of the financial statement have been prepared and are available to the public at no cost at the business address of the city.

Fifth and sixth class cities are authorized to use an alternative publication, that is, delivery by first class mail to each residence in the city, if it can be shown that such is less costly than newspaper publication.

Technical changes were made to the statute which sets forth the qualifications of a newspaper to publish legal advertisements of the city. In addition, the city is to receive the lowest earned advertising rate for publication of its legal notices as is charged by the newspaper.

Any legislative act of a public agency, including a city, which is required to be published that is adopted without compliance with the publication requirements of KRS Chapter 424 shall be voidable by a court of competent jurisdiction.

HB-483 — "Home Rule" Cleanup Bill

Among many other things, the Bill repeals optional fiscal years ending on December 31 and May 31 for all cities. All cities are required to adopt a July 1 to June 30 fiscal year.

HB-555 — Continuing Education Requirements for CPAs

The Bill amends KRS 325.330 to require completion of 20 hours of continuing professional education per annum, effective July 1, 1985, for certified public accountants prior to application for permit renewal. The Bill permits the Board of Accountancy to waive or lower such continuing education requirements for reasons of age, disability or individual hardship.

HB-622 — Financial Administration of the State Universities

The Bill grants greater control of the financial administration of state universities to the governing boards electing to operate pursuant to the Bill's provisions. If the election is made by the university to operate in accordance with the Bill, the university will be required to engage a firm of certified public accountants to conduct an annual audit. This legislation did not specifically repeal the requirement that the Auditor of Public Accounts audit state universities, found at KRS 43.050. However, the duty of the Auditor of Public Accounts to conduct financial audits of universities is amended by implication since HB-622 creates a specific statutory section related to university financial audits, and the specific statute will prevail over the general terms of KRS 43.050.

HB-657 — Reorganization of the Department of Finance

This Bill encompasses many of the reorganizations of state government effected by executive order during the last biennium. The Finance and Administration Cabinet was created to replace the Department of Finance, including transfer of functions. Among other things, the Bill does the following:

(1) makes the Finance and Administration Cabinet and its Division of County and Municipal Accounting responsible for various forms of technical and financial assistance to local governments,

(2) amends KRS 64.810 to require reports of audits of county officials' books by independent accountants to be submitted to the State Local Finance Office,

(3) amends KRS 65.070 to transfer responsibility for special district reporting forms from the Department for Local Government to the Finance and Administration cabinet,

(4) amends KRS 66.045 to define the State Local Finance Officer as the Secretary of Finance and Administration Cabinet or his designee,

(5) authorizes the Finance and Administration Cabinet, rather than the Department for Local Government, to prescribe a uniform system of county accounting,

(6) amends KRS 91A.040 to require city audit reports to be forwarded to the Finance and Administration Cabinet, rather than the Department for Local Government,

(7) amends KRS 91A.050 to direct the Finance and Administration Cabinet, rather than the Department for Local Government, to provide cities with accounting and budgeting technical assistance, and

(8) amends KRS 147A.020 to transfer general revenue sharing for local governments and technical assistance in the areas of fiscal management and purchases and contracts from the Department for Local Government to the Finance and Administration Cabinet.

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CompuFest '82

The Kentucky Society of CPAs congratulates and thanks the Computers and Information Systems Committee for their outstanding job on CompuFest '82.

CompuFest Committee Members and Volunteers

Committee Chairman

Bobby Owens, Owens & Company,

Lexington

Sub-Committees

Vendor Solicitation

Paul Dorroh, Hilliard & Lyons, Inc.,
Louisville

Danny Katzman, Touche Ross &
Co., Louisville

David Struck, Touche Ross & Co.,
Louisville

Co-sponsors and Show Control

Earl Watts, Cornman, Bryan &
Watts, Mayfield

Budget, Advertising & Member Relations

Larry Hogan, Lynch & Hogan,
Louisville

George Pierce, Microsolutions, Inc.,
Lexington

Physical Arrangement

Rick Hensley, Arthur Andersen &
Co., Louisville

Education

Ed Ward, First National Bank,
Louisville

Other Committee Members

Jim Ferrel, Individual Practitioner,
Louisville

Dewey Minton, Peat, Marwick,
Mitchell & Co., Louisville

Keith L. Nutter, Ernst & Whinney,
Louisville

Mark Schaeffer, Bowden & Wood,
Louisville

Harold Wills, James R. Meany &
Associates, Bowling Green

Volunteers who assisted with operations of CompuFest

Frank Arnold
Steve Dobler
Nancy Morrow
Charlie Rickert
Dave Smuck
Roger Wells
Will Young



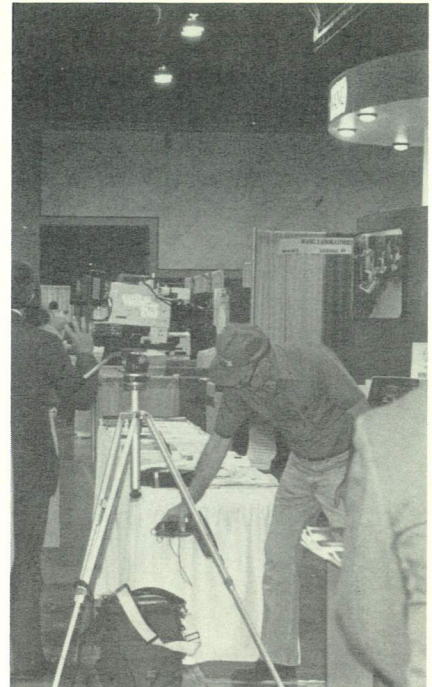
On September 14, Computer and Informations Systems committee member **George Pierce** was interviewed on WAVE-TV's Morning Show.



Several computer enthusiasts ask Wang representatives questions concerning various systems.



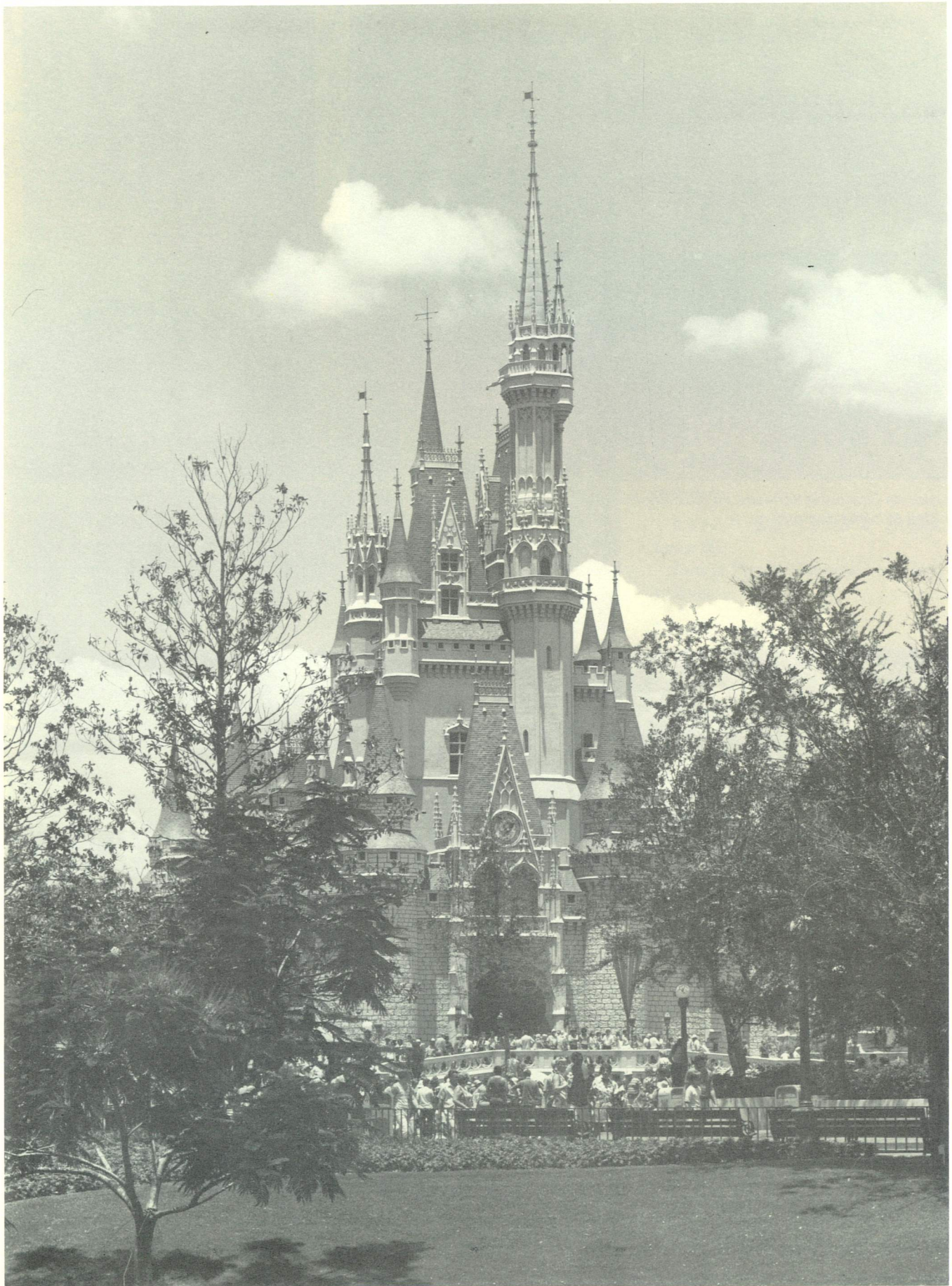
Corporate Computer Services, Inc. exhibitors discuss with observers the very popular idea of home computers.



All three of the major television stations in Louisville covered CompuFest.



CompuFest offered exhibitors an opportunity to inform the business community.



1983 Annual Meeting June 8-9-10-11

Contemporary Hotel in Walt Disney World Resort
Near Orlando, Florida

- The Contemporary Resort Hotel at Walt Disney Resort awaits you with attractive features for those from ages 2 to 82. This ideal family vacation spot has been selected as the site for our 1983 Annual Meeting.
- Our Annual Meeting begins on Wednesday, June 8 and ends on Saturday, June 11, 1983. We are holding 150 rooms at the Contemporary Hotel for the nights of June 8, 9, and 10 and we have blocked some rooms for the nights of June 11 and 12.
- Society members may reserve a room for the 1983 Annual Meeting by mailing a check for \$150.00, payable to TRAVEL PROFESSIONALS. No telephone reservations will be accepted, and no reservations will be honored unless accompanied by check. TRAVEL PROFESSIONALS will also assist you in making reservations for extended stays at the Contemporary or any other Walt Disney World Resort accommodation.
- Flight reservations can be obtained through TRAVEL PROFESSIONALS. They have reserved seats with Delta Airlines on flights leaving from Lexington and Louisville.
- Requests for room reservations received after the 150 rooms are taken will be placed on a waiting list in the order received and your check will be returned.
- If you have any questions concerning any arrangements, please call TRAVEL PROFESSIONALS at 502/583-4454 and ask for Shirley Daly.

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Mail to:

TRAVEL PROFESSIONALS, INC. • Hyatt Regency, 320 W. Jefferson Street • Louisville, Kentucky 40202

Please reserve one room for me at the Contemporary Hotel at Walt Disney World Resort, site of the 1983 Annual Meeting. Arriving June _____ and departing June _____, 1983.

My check for \$150.00, payable to TRAVEL PROFESSIONALS, is enclosed.

Name: _____

Firm's Name: _____

Firm's Address: _____

Telephone: _____

Accounting and Auditing Conference

The Society, in cooperation with the University of Kentucky, Department of Accounting, will present the annual Accounting and Auditing Conference on November 1-2, 1982, at the Executive West in Louisville, *Raymond S. Pryor, Jr.* is again serving as Chairman of this Conference. He, the members of the Society's Accounting Principles and Auditing Procedures Committee, and representatives from the University of Kentucky have put together an outstanding program which is presented below.

The registration fee of the Conference is \$200 and covers an outline of the speakers' topics, two luncheons, coffee breaks, and a cocktail reception on November 1. Attendance at all sessions will earn 16 hours of CPE credit. Educator and student discounts of 50% are available for full-time educators and full-time students.

Please register as soon as possible. Cancellations after October 26 are subject to a \$50 cancellation fee. Refunds will not be granted after the Conference has begun.

PROGRAM

Monday, November 1, 1982

AM

- 8:00 - 8:30 Registration
Coffee/Danish
- 8:30 - 10:00 **Current Developments in Accounting**
George P. Fritz, CPA
Coopers & Lybrand
New York, New York
- 10:00 - 10:15 Coffee Break
- 10:15 - 11:15 **Financial Forecasts and Projections**
Aaron L. Reynolds, CPA
Touche Ross & Co.
Louisville
- 11:15 - 12:15 **Computer Software Selection**
Thomas E. Gibbs
Mentor Systems
Lexington

PM

- 12:15 - 1:15 Luncheon
- 1:15 - 2:15 **Current Developments of the Auditing Standards Board**
David L. Landsittel, CPA
Chairman, Auditing Standards Board,
American Institute of CPAs,
Arthur Andersen & Co.
Chicago, Illinois
- 2:15 - 3:15 **Accounting for Income Taxes**
Terry J. Nunley, CPA
Assistant Professor of Accounting
University of Kentucky
Lexington
- 3:15 - 3:45 Coffee Break
- 3:45 - 5:00 **Update on Ethical Standards of Independence**
William D. Schoolman, Attorney, Manager
Behavior Standards & Independence
Professional Ethics Division, AICPA
- 5:00 - 6:00 Reception (Open Bar)
Refreshments provided by Citizens Fidelity
Bank & Trust Company

Tuesday, November 2, 1982

AM

- 8:00 - 8:30 Coffee/Danish
- 8:30 - 10:15 **CPA's Role in Insolvencies and Bankruptcies**
John W. Ames, Attorney
Handmaker, Weber, Meyer & Rose
Louisville
- 10:15 - 10:30 Coffee Break
- 10:30 - 11:45 **Economic Outlook: What Does It Mean to the Profession**
W. Bruce Lunsford, CPA
Secretary of the Commerce Cabinet
Commonwealth of Kentucky
Frankfort
- 11:45 - 1:00 Luncheon
- PCPS and Division of Firms**
W. Thomas Cooper, Jr., CPA
Chairman
Executive Committee
Private Companies Practice Section of the
AICPA's Division of Firms
Potter & Company
Louisville

PM

- 1:00 - 2:30 **What CPE Do You Need?**
Cathi Alden
Alden & Associates
New York, New York
- 2:30 - 3:00 Coffee Break
- 3:00 - 5:00 **Standards Overload**
Michael W. Houston, CPA
Member
Technical Issues Committee
PCPS
Maulden & Jenkins
Albany, Georgia

Registration Form →

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Transylvania Bldg.
1512 Colesbury Circle
Lexington, Ky. 40505
(606) 299-5239

Accounting and Auditing Conference Registration Form

Detach and return to:

Kentucky Society of CPAs
310 W. Liberty Street
Louisville, Kentucky 40202
502/589-9239

Enclosed is my check, payable to the Kentucky Society of CPAs, for \$200 for the Accounting and Auditing Conference, November 1-2, 1982, at Executive West in Louisville.

Name _____

Firm _____

Address _____

City _____

State _____ Zip _____

Federal Tax Note

by Michael Klein, CPA

TEFRA changes to retirement plans —

The provisions of the Tax Equity and Fiscal Responsibility Act (TEFRA) affecting pension plans generally make plans more restrictive by adding special rules for plans that primarily benefit certain key employees; reducing pension contributions and benefit limits; freezing temporarily the cost-of-living adjustments in those limits; restricting plan loans; reducing the contributions or benefits under combined plans; and reducing estate tax benefits. On the other hand, rules affecting plans for self-employed individuals have changed to make those plans more comparable to plans benefiting employees who are not self-employed.

Decreased contribution limits for qualified retirement plans —

To limit the amount of tax favored retirement benefits available to highly compensated individuals, the Act decreases the amount of contributions to defined contribution plans from the current \$45,475 to \$30,000. Contributions to defined benefit plans are also reduced, with the maximum annual benefit being reduced from \$136,425 to \$90,000. If the employee retires before age 62 this maximum contribution is

reduced further. If benefits start after age 65, the dollar amounts are increased.

Beginning in 1986, the annual cost-of-living adjustments will be made to the \$30,000 defined contribution maximum and the \$90,000 defined benefit maximum.

Increased contribution limits for self-employed individuals

In an effort to more closely conform retirement benefits for self-employed persons with those of corporate employees, the Act increases the defined contribution plan deductible limits for self-employed retirement plans. The limit will be increased from the current 15 percent of earned income or \$15,000 to 20 percent or \$30,000. In addition, comparable adjustments will be made to defined benefit plans.

Personal Service Corporations

Since many professionals have incorporated to take advantage of the larger pension contribution limits allowed to corporations, relief has been provided for those who may want to reconsider incorporation of their practices. For those who have already incorporated, a two-year transitional period is provided to reduce the impact of liquidation.

Individually Yours



Kentucky Society of CPA's Life Insurance Plan

You're more than just a part of the crowd when you insure with the CPA's Insurance Plan,* and you receive an *individual* policy contract rather than a group certificate. Our *individual* policyholders appreciate the difference.

NATIONAL INSURANCE AGENCY, INC.

Plan Administrator
P.O. Box 5158
Louisville, Ky. 40205
Telephone (502) 451-2023

*Underwritten by Northwestern National Life Insurance Company.

Members in motion

Ben W. Jackson has been promoted to director of financial planning and analysis with Kentucky Fried Chicken.

The following members have been elected as officers of the Louisville Chapter of the National Association of Accountants: *Ray G. Strothman, Jr.*, Carpenter, Strothman & Bolin, Louisville, as President; *John F. Barron*, Liberty National Bank, Louisville, as Vice President — Education and Professional Development; and *Richard J. Wagner*, Coopers & Lybrand, Louisville, as Vice President — Membership. Mr. Barron was also selected as the Outstanding Member for the 1981-82 chapter year.

W. Larry Cash has been promoted to vice president of accounting, Hospital Division, for Humana Inc., Louisville. He was senior assistant controller in the Hospital Division.

(Continued, page 13, column 1)



DID THAT SAY WHAT I THINK IT SAID? Yes it did. Many Society members were surprised and pleased to see the billboard advertising CompuFest at the I-64, I-71 intersection in Louisville.

Members in motion

(Continued from page 12)

James Mulrooney has been named Controller-Corporate Accounting Division for Chi-Chi's, Inc., Louisville. He was previously Chief Financial Officer for The Fresher Cooker Inc., Louisville. *Sandy Nelson* has been named Senior Vice President — Finance and Chief Financial Officer for Chi-Chi's, Inc., Louisville. Before joining Chi-Chi's, Inc., Mrs. Nelson was with Batus, Inc., Louisville.

Richard K. Williams, formerly with Arthur Andersen & Co., Louisville, is now with Pineal Diversified Holdings, Louisville. He is the controller and chief financial officer.

C. David McKee, Daniel, Pulliam, McKee & Co. of Winston-Salem, North Carolina, has been elected president of the Winston-Salem Estate Planning Council for its 1982-83 year.

Bob D. Cornman, Cornman, Bryan & Watts, Mayfield, was elected southeastern regional director at NASBA's Annual Meeting, September 14, in San Diego, California.

A team of twelve runners sponsored by Christen, Brown & Rufer competed against fifty teams sponsored by forty-three other local employers in the Corporate Cup events at the University of Louisville track on September 17 & 18. Society members who participated included race official *Kay M. Cox*, and runners *Michael J. Griffith*, *Mitchell H. Palmer*, and *John F. Reesor*.

Annual meeting update

Annual meeting committee Chairman, *Glyn Kerbaugh* met with the Board of Directors at their September meeting at the Hyatt Regency in Louisville.

He reported on the committee's recommendations for future annual meeting sites and confirmed plans for this year's Annual Meeting in Disney World on June 8, 9, 10, and 11, 1983. (For more information, see pages 8 and 9.) The committee also recommended, and the Board approved, deferring the

Chapter activities

Bluegrass — On September 21, a dinner meeting was held at the Hyatt Regency in Lexington. State Board members, *Ann Holt Moffatt* and *Bill Coffee* along with Society Director, *Ben Gratzler*, served as a panel. The panel discussed implementing regulations for the legislation passed in the 1982 General Assembly. Thirty members attended the meeting.

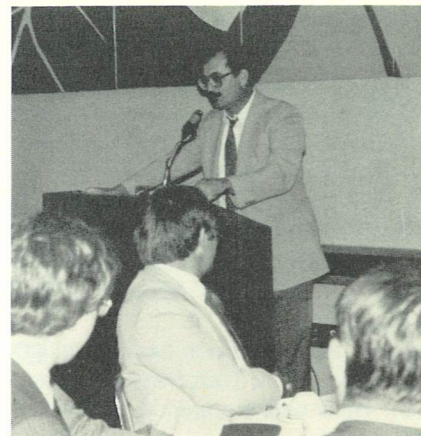
Cumberland — Robert Pulsinelli, an Economist at Western Kentucky University spoke at their meeting on September 9. The meeting and dinner was held at the Holiday Inn in Glasgow.

Louisville Area — Billy Reed, Louisville Courier Journal sports editor entertained the chapter with his presentation at a luncheon meeting at the Hyatt Regency, Louisville. There were approximately seventy-five chapter members and guests at the September 14 meeting along with twenty-four persons attending a CPE class.

West Kentucky — A dinner meeting was held on September 16 at Patty's Restaurant, Grand Rivers. The featured speaker was *John A. Thompson*, from Murray State University's Department of Accounting. He discussed "Accounting Standards Overload." Forty-five members attended the meeting.

annual meeting scheduled for Las Vegas in 1984 for at least one year. The committee recommended that the Society concentrate on more family oriented resort sites closer to home for future meetings.

The committee will soon be considering sites for the 1984 Annual Meeting and possibly the 1985 one. If you would like to suggest a location to the committee, please send it to Glyn Kerbaugh, Jr., c/o Kentucky Society of CPAs, 310 W. Liberty St., Louisville, KY 40202.



Billy Reed speaks to the Louisville chapter at their luncheon meeting in September.

To accountants practicing in Jefferson County

Citizens Fidelity Bank & Trust Company is pleased to offer you a copy of the U.S. Master Tax Guide, published by Commerce Clearing House for 1983.

We shall reserve a copy for you upon written request. Please let us hear from you by November 15. Copies will be ordered only for those who request them in writing.

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Meet the new members

Mary C. O'Bryan, born in Hardinsburg, Kentucky, is a graduate of the University of Kentucky. She is with Price Waterhouse in Cincinnati.

K. Sue Ward, born in Glasgow, is a graduate of Western Kentucky University. Currently, she is on the staff of James R. Meany & Associates in Bowling Green.

John L. Beebe, born in Lexington, is a graduate of the University of Kentucky. He is with Coopers & Lybrand in Lexington.

Lillian B. Cushny was born in Glen Cove, New York and graduated from Adelphi University. She is employed by the U.S. Achievement Academy in Lexington.

Diane M. Marcum, born in Washington, D.C., is a graduate of Brescia College. She is employed by York, Tompkins & Ebelhar in Owensboro.

Terry L. Lange was born in Louisville and is a graduate of the University of Louisville. He is presently with Arthur Andersen & Co. in Cincinnati.

Herbert W. Long was born in Lexington and is a graduate of the University of Kentucky. He is employed by J. Randall Abner, CPA, in Hazard.

Josephine F. Sullivan, born in Sullivan, Indiana, is a Western Kentucky University graduate. She is a sole practitioner in Greenville, Kentucky.

Deborah R. Riley was born in Louisville and is a graduate of Murray State University. She is employed by Caretenders, Inc., Louisville.

Patrick A. Cecil, born in Louisville, is a graduate of the University of Kentucky. He is with Jones, Nale and Mattingly in Louisville.

William E. Chady was born in Louisville and graduated from Bellarmine College. Currently he is with the firm of Christen, Brown & Rufer in Louisville.

Richard L. Cripe, born in Louisville, is a graduate of the University of Louisville. He is employed by Christen, Brown & Rufer in Louisville.

Alice C. Downs was born in Louisville and is a graduate of the University of Kentucky. She is with Christen, Brown & Rufer in Louisville.

Robert M. Ritchie, born in Bardstown, is a graduate of Bellarmine College. He is on the staff of Arthur Young & Company in Louisville.

Roy J. Schroeder was born in Menominee, Michigan and is a gradu-

ate of Western Kentucky University. He is with Amick & Helm in Louisville.

Clyde T. Stambaugh, born in Nippa, Kentucky, is a graduate of the University of Kentucky. He is on the staff of the University of Kentucky in Lexington.

George T. Underhill, III was born in Evanston, Illinois and graduated from Miami College in Ohio. He is with Alexander Grant & Company in Louisville.

Awards night

(Continued from page 3)

Darrell L. Morris
Jones, Nale and Mattingly, Louisville

James K. Pleasants
Deloitte Haskins & Sells, Lexington

David W. Renshaw
Riney, Hancock & Co., Owensboro

Timothy N. Richie
Ernst & Whinney, Louisville

S. Bradford Rives
Arthur Andersen & Co., Louisville

Bunnie A. Roy
Imhof, Veatch and Wilcoxson, Louisville

Jerry R. Sapp
Robinson, Hughes & Christopher, Danville

Roy J. Schroeder
Amick & Helm, Louisville

Susan E. Schuwey
Grover C. Greweling & Company, Louisville

Mary K. Shaver
Ernst & Whinney, Louisville

Juanita Spalding
Irvin C. Rueff, Jr., CPA, Louisville

Gregory A. Spradlin
Inez Deposit Bank, Inez

David A. Stanley
Ernst & Whinney, Louisville

Katherine K. Sutton
Alexander Grant & Company, Louisville

Michael J. Walter
Touche Ross & Co., Louisville

John D. Williams
Helton, Butler & Wells, Paintsville

Successful candidates in the May 1982 examination who will qualify for certificates after completion of the experience requirement were also recognized. An * will follow the names of those who passed on the first attempt. Those who attended were:

*Tracy A. Arnold**

Student, Louisville

*Kenric J. Belsak**

Potter & Company, Louisville

*James C. Brumleve**

Ernst & Whinney, Louisville

Donna J. Combs

James A. Bailer, CPA, Erlanger

*Leelan C. Greer**

Welenken, Himmelfarb & Co., Louisville

Lynn E. Harris

Deloitte Haskins & Sells, Lexington

David P. Heintzman

Peat, Marwick, Mitchell & Co., Louisville

Sharon M. Hollkamp

Louisville

Lloyd S. Howlett, II

James R. Meany & Associates, Bowling Green

*Patricia A. Hurst**

Celanese Corporation, Louisville

*Charles E. Martin, III**

Capitol Holding Corp., Louisville

Danny R. Mullen

Ernst & Whinney, Lexington

*Joyce Newell**

Brown, Stewart & Company, Louisville

Martha M. Parker

Richardson, Howe, Wilson & Cunningham, Murray

Mary S. Remark

Carpenter, Strothman & Bolin, Louisville

*Jimmy J. Shackelford**

Benham Coal, Inc., Benham

Daryl W. Smith

James R. Meany & Associates, Bowling Green

Hal W. Toomey

James R. Meany & Associates, Bowling Green

John B. Walker

York, Tomkins & Elbelhar, Owensboro

Harold L. Williams, Jr.

Coopers & Lybrand, Louisville

*Charles G. Williamson, III**

William A. Motsch & Co., Louisville

Jimmy J. Schackelford with Benham Coal, Inc., Benham, was presented with the Kentucky Society Award. The award is given to that candidate who, while passing all parts of the May 1982 examination on the first attempt, achieved the highest grades in the state while doing so.

The Awards Night Dinner/Dance was an enjoyable time for all who attended. The Society hopes all those who attended and those who did not will plan to be at the one in March.

CPE NOVEMBER — DECEMBER 1982

November 1-2	ACCOUNTING AND AUDITING CONFERENCE Louisville	\$200
November 3	BASIC CONCEPTS IN ESTATE PLANNING Lexington DL: Robert T. Blackburn, CPA	\$ 95
November 4-5	ESTATE AND GIFT TAXATION — ADVANCED Lexington DL: William B. Peden, CPA	\$190
November 11-12	FASB-APB REVIEW Lexington DL: Jack O. Hall, CPA	\$190
November 11-12	TAXATION AND FINANCIAL REPORTING IN THE COAL MINING INDUSTRY Lexington	\$280
November 22-23	INDIVIDUAL INCOME TAX RETURNS WORKSHOP Louisville DL: Sam Erickson	\$225
December 1-3	KENTUCKY INSTITUTE OF FEDERAL TAXATION	\$115
December 9	TAX PROBLEMS OF INDIVIDUALS Louisville DL: Ronald G. Frea, CPA	\$ 95
December 10	1040 WORKSHOP — ADVANCED I Louisville DL: W. Thomas Cooper, CPA	\$ 95

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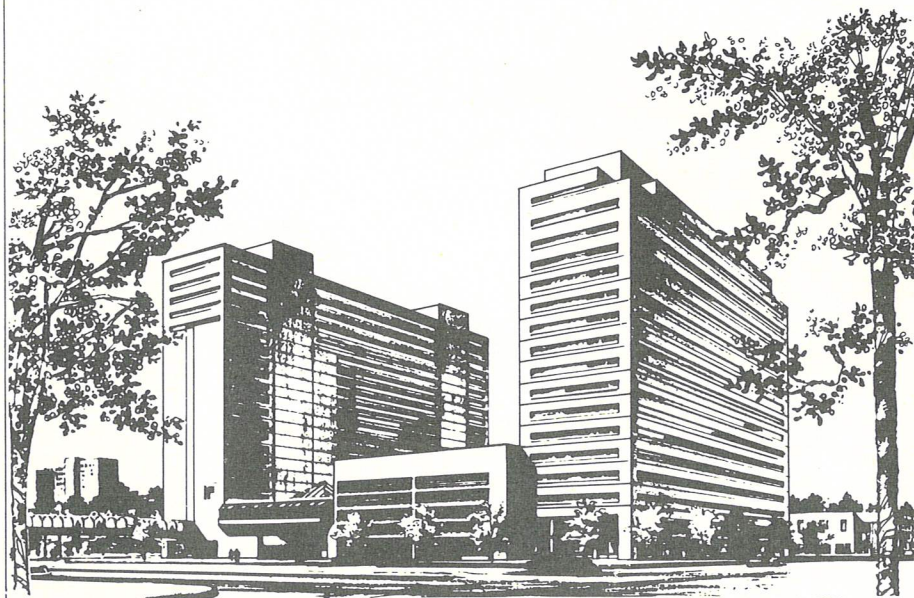
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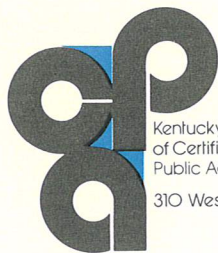


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