

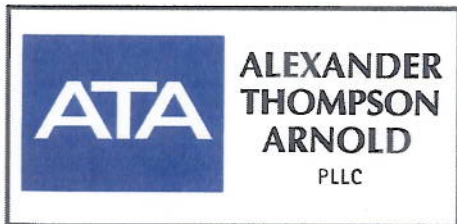
**TENNESSEE CITY MANAGEMENT ASSOCIATION**

**Statements of Cash Receipts, Disbursements, and  
Changes in Cash Balances**

**For the Year Ended June 30, 2010**

**TENNESSEE CITY MANAGEMENT ASSOCIATION**  
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**June 30, 2010**

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## INDEPENDENT AUDITOR'S REPORT

To the Board of Directors  
Tennessee City Management Association

We have audited the accompanying statement of cash receipts, disbursements, and changes in cash balances of Tennessee City Management Association (the Association) (a non-profit organization) for the year ended June 30, 2010. These financial statements are the responsibility of the Association's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the statement of cash receipts and disbursements is free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the statements of cash receipts, disbursements, and changes in cash balances. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the statement of cash receipts and disbursements. We believe that our audit provides a reasonable basis for our opinion.

As described in Note 1, this financial statement has been prepared on the cash receipts and disbursements basis of accounting, which is a comprehensive basis of accounting other than generally accepted accounting principles.

In our opinion, the statement of cash receipts, disbursements, and changes in cash balances referred to above present fairly, in all material respects, the cash receipts, disbursements, and changes in cash balances of Tennessee City Management Association for the year ended June 30, 2010, on the basis of accounting described in Note 1.

Our audit was conducted for the purpose of forming an opinion on the statement of cash receipts, disbursements, and changes in cash balances taken as a whole. The schedule of cash balances and schedule of budgeted to actual cash receipts and disbursements shown on pages 4 and 5 are presented for purposes of additional analysis and are not a required part of the statement of cash receipts, disbursements, and changes in cash balances. Such information has been subjected to the auditing procedures applied in the audit of the statement of cash receipts, disbursements, and changes in cash balances, and, in our opinion, are fairly stated in all material respects in relation to the statement of cash receipts, disbursements, and changes in cash balances taken as a whole.

Certified Public Accountants  
Jackson, Tennessee

January 31, 2011

Dyersburg, TN  
Henderson, TN  
Jackson, TN  
Martin, TN  
McKenzie, TN

Milan, TN  
Murray, KY  
Paris, TN  
Trenton, TN  
Union City, TN

**TENNESSEE CITY MANAGEMENT ASSOCIATION**  
**Statement of Cash Receipts, Disbursements, and Changes**  
**in Cash Balances**  
For the Year Ended June 30, 2010

<b>Cash Receipts:</b>	
Membership dues	\$ 9,807
Conference registration fees	6,965
Conference sponsorships	8,500
Interest income	38
<b>Total Cash Receipts</b>	<u><b>25,310</b></u>
 <b>Cash Disbursements:</b>	
Hotel expenses for conferences	720
Meals and catering for conferences	6,743
Speakers for conferences	4,038
Supplies for conferences	210
ICMA expense during conferences	823
Awards	251
Professional services	4,294
Annual business meetings	1,222
Website expense	1,075
Copying and postage	74
ICMA professional development expense	1,000
Other expense	5,721
<b>Total Cash Disbursements</b>	<u><b>26,171</b></u>
 <b>Cash Receipts Over (Under) Disbursements</b>	 <b>(861)</b>
 <b>Cash Balances, Beginning</b>	 <u><b>44,959</b></u>
 <b>Cash Balances, Ending</b>	 <u><u><b>\$ 44,098</b></u></u>

See accompanying notes to financial statement.

**TENNESSEE CITY MANAGEMENT ASSOCIATION**  
**NOTES TO FINANCIAL STATEMENTS**  
**June 30, 2010**

**Note 1 – Nature of Activities and Significant Accounting Policies**

**A. Nature of Activities**

The Tennessee City Management Association, (the Association) is a Tennessee non-profit corporation that hosts various conferences and seminars which address issues and concerns relative to community governments. The members of the Association consist of city administrators and managers throughout the State of Tennessee.

**B. Basis of Presentation**

The Association prepares its financial statements on the cash basis of accounting, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America. The Association reports cash receipt and disbursement information only; no non-cash activities are recognized. The only asset they report is cash. They are not required to recognize any other asset, such as receivables, fixed assets, or accrued income, nor are they required to recognize any liabilities, such as payables or accrued expenses.

**C. Cash and Temporary Cash Investments**

The Association has a business checking account and a money market performance account. Both are carried at cost.

**D. Federal Income Tax**

The Association has received an Internal Revenue Service Determination Letter stating that it has been recognized as a tax-exempt organization under IRC Section 501(c)(6). Accordingly, no provision for federal income tax is required. The Association files a Form 990, "Return of Organization Exempt from Income Tax".

**Note 2 – Subsequent Events**

The subsequent events have been evaluated through January 31, 2011, which is the date the financial statements were available to be issued.



**TENNESSEE CITY MANAGEMENT ASSOCIATION**  
**Schedule of Cash Balances**  
June 30, 2010

SunTrust Bank:

Checking account	\$ 17,140
Money market account	<u>26,958</u>
<b>Cash Balance</b>	<b><u>\$ 44,098</u></b>

See independent auditor's report.

**TENNESSEE CITY MANAGEMENT ASSOCIATION**  
**Schedule of Budgeted to Actual Cash Receipts and Disbursements**  
For the Year Ended June 30, 2010

	<u>Budgeted</u>	<u>Actual</u>	<b>Variance: Over / (Under)</b>
<b>Cash Receipts:</b>			
Membership dues	\$ 12,200	\$ 9,807	\$ (2,393)
Conference registration fees	11,875	6,965	(4,910)
Conference sponsorships	10,000	8,500	(1,500)
Interest Income	750	38	(712)
<b>Total Cash Receipts</b>	<u><b>34,825</b></u>	<u><b>25,310</b></u>	<u><b>(9,515)</b></u>
<b>Cash Disbursements:</b>			
Hotel expenses for conferences	1,000	720	(280)
Meals and catering for conferences	10,250	6,743	(3,507)
Speakers for conferences	1,000	4,038	3,038
Supplies for conferences	500	210	(290)
ICMA expense during conferences	600	823	223
SE Regional Summit	300	-	(300)
Awards	450	251	(199)
SEI scholarships	2,000	-	(2,000)
Professional services	5,000	4,294	(706)
Annual business meetings	1,505	1,222	(283)
Website expense	975	1,075	100
Copying and postage	75	74	(1)
ICMA member support	1,500	-	(1,500)
ICMA professional development fund	1,500	1,000	(500)
ICMA image campaign support	1,000	-	(1,000)
TCMA member support	1,000	-	(1,000)
Other expense	5,060	5,721	661
<b>Total Cash Disbursements</b>	<u><b>33,715</b></u>	<u><b>26,171</b></u>	<u><b>(7,544)</b></u>
 <b>Receipts Over (Under) Disbursements</b>	 <u><b>\$ 1,110</b></u>	 <u><b>\$ (861)</b></u>	 <u><b>\$ (1,971)</b></u>

See independent auditor's report.