



MINUTES
TENNESSEE CITY MANAGEMENT ASSOCIATION
BOARD OF DIRECTORS MEETING
September 22, 2017 – 12:30 PM (Eastern)
Courtyard by Marriott – Balsam Point Boardroom
Gatlinburg, Tennessee

1. Roll Call

President C. Seth Sumner (Athens) called the meeting to order early at 12:13 PM. Other Board members present were Tracy Baker (Sevierville), Tim Ellis (Goodlettsville) and Rob Lyons (Murfreesboro). Ted Rogers (Collegedale) and Eric Stuckey (Franklin) were unable to attend. Also in attendance were ICMA Vice President Bill Hammon (Alcoa), TCMA Executive Director Michael Walker (Brentwood), ICMA Southeast Regional Director Randy Reid (Gainesville, FL), and TCMA Members Roger Campbell (Maryville) and Brian Moran (Cleveland).

2. Approval of Minutes

Lyon moved to approve the minutes as presented from the June 11, 2017 Board meeting in Murfreesboro; seconded by Ellis. Approval was unanimous.

3. Executive Director's Report

FY 2017-2018 YTD Financial Position – Walker reviewed and/or provided the following documents and financial reports: Budget to Actual Comparison (July 1, 2017 – August 31, 2018), copies of SunTrust bank account statements as of August 31, 2017, sponsorship support YTD, and PayPal credit card transactions YTD. Income and expenses are trending well during the first two months of the Fiscal Year ending June 30, 2018.

Financial Report – Gatlinburg Conference – The conference is expected to be major success financially with net income in excess of \$16,500 due primarily to the waiving of \$10,000+ in facility rental and audio-visual fees by the City of Gatlinburg. The Wednesday night social event is expected to generate positive net income due to \$3,000 in supplemental financial support provided by TCMA sponsors.

Insurance for Crime Coverage/Employee Theft – Per the direction of the Board at the June 2017 meeting, the Association’s liability coverage with Traveler’s has been expanded to cover TCMA staff in an amount up to a \$500,000 loss with \$10,000 retention.

By-Laws Implementation - with the approval by the members on September 21, 2017 of amendments to ARTICLE II (Membership) and ARTICLE III, Section 1 (Ethics Code), updated TCMA By-Laws will be sent electronically to each member and posted on the TCMA website.

2019 ICMA Conference Major Fund Raising – Upon completion of follow up work from the Gatlinburg conference, the Director will begin preparation of draft marketing materials for use in the solicitation of funding support from potential major sponsors in Tennessee. The goal is to have material completed by the end of this calendar year.

4. Old Business

- a. Report from Ad-Hoc Committee on Staffing/Service Delivery Options and Transition of Duties and Responsibilities of the Executive Director in Early Calendar Year 2018 (Item was moved for discussion at the end of the meeting).
- b. Other Old Business - None

5. New Business

- a. Review and Acceptance of FY 2016-2017 Annual Audit Prepared by Bellenfant CPA’s – Walker reviewed the year-end financial results. TCMA ended the year with \$395,965 in cash assets, up \$77,323 from the previous year. Total income in FY 2016-2017 was \$200,769; expenses were \$123,446. Lyons moved to accept the report; seconded by Baker. Approval was unanimous.
- b. Recognition and Approval of Bellenfant CPA’s as a GOLD level sponsor for Services and Financial Support Provided to the Association - Because of the additional time requirement and the mandate to prepare and submit a 990 Federal Tax Form instead of a 990 EZ form, the cost of the preparation work by Bellenfant CPA’s increased from \$1,500 to \$2,500. At the same time, the firm expressed a willingness to upgrade their sponsorship level from SILVER (\$1,500) to GOLD (\$2,500) annually so the net result would be no additional cost to the Association. Lyons moved to accept this arrangement; seconded by Baker. Approval was unanimous.

- c. Authorization to Open Bank Accounts at an Second Bank to Guarantee FDIC Protection of All TCMA Cash Assets – With the significant increase in cash assets in recent years, the Association’s cash assets have increased above the FDIC’s maximum insurance protection of \$250,000 per institution. With the change in the Executive Director position anticipated in January 2018 and the need to change check/account authorization signatures, Lyons moved to delay the establishment of bank accounts at two FDIC banking institutions until after January 1, 2018 when the new staff person is onboard; seconded by Ellis. Approval was unanimous.
- d. Update on Status of Proposal to ICMA for Non-Member Incentives to Join ICMA and Attend 2019 ICMA Conference in Nashville – Walker reported to the Board that ICMA has agreed in principle to participate in an incentive program with TCMA to fund first year membership at a reduced cost and attendance at the conference. This will allow all TCMA members the opportunity to attend the ICMA Conference in October 2019 and forgo our Association having a separate TCMA Fall Conference a month earlier. A formal proposal from ICMA is expected in the next year.
- e. Request from ICMA Seeking Regional Nominating Committee Member and Candidates for Regional Vice President for the 2018-2019 ICMA Executive Board – Lyons moved to select Sumner to represent TCMA at the interview process for next ICMA Vice President to be held at the Southeast Regional Summit in Mountain Brook, AL, April 26-27, 2018; seconded by Baker. Approval was unanimous.
- f. Request from Chair of Policy/Legislative Committee for Direction on Position of TCMA on Certain Legislative Matters – Chair Roger Campbell presented background information on this request. After a lengthy discussion, Ellis made a motion that the Committee must seek direction from Board of Directors in situations where it is proposed that TCMA take a different policy position from TML on legislative matters before the General Assembly; seconded by Lyons. Approval was unanimous.
- g. Old Business - Report from Ad-Hoc Committee on Staffing/Service Delivery Options and Transition of Duties and Responsibilities of the Executive Director in Early Calendar Year 2018 – Sumner provided a report on recruitment efforts and the desire to have someone in the position who understands the profession in Tennessee and the Association. He recommended that he be allowed to move forward with negotiating an employment agreement with UT-MTAS Municipal Management Consultant Jeff Broughton. After a lengthy discussion, Lyons moved to authorize Sumner to negotiate an employment

agreement with Broughton that would be subject to review and approval by the Board; seconded by Baker. Approval was unanimous.

- h. Other New Business – Sponsorship Designation for City of Gatlinburg
– Walker recommended that Board grant PLATINUM level sponsorship recognition to the City of Gatlinburg in recognition of the City providing complementary use of the convention center facility and audio-visual services at TCMA two conferences – Fall 2014 and 2017. This saved TCMA in excess of \$20,000 in out of pocket expense. Lyons moved for approval; seconded by Baker. Approval was unanimous.

6. Adjournment

With no further business, the meeting was adjourned at 2:00 PM.

(DRAFT MINUTES SUBJECT TO FORMAL REVIEW AND APPROVAL BY THE BOARD AT THE APRIL 2018 BOARD MEETING)