THE UNIVERSITY OF TENNESSEE UNIVERSITY OF MUNICIPAL TECHNICAL ADVISORY SERVICE

Municipal E–News

November 2009 | Issue 8



City Spotlight: Kingston

"Kingston served as the capitol of Tennessee for one day, when the general assembly met there in 1807 in order to fulfill a treaty obligation made with the Cherokee Indians." (From the Tennessee Encyclopedia of History and Culture)

Date of Incorporation: 1799

Population: 5,264

> County: Roane

Grand Division: East

MTAS Municipal Management Consultant: Warren Nevad warren.nevad@tennessee.edu

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ARRA Compliance Issues for Tennessee Cities

Dick Phebus, MTAS Finance and Accounting Consultant

The American Recovery and Reinvestment Act (ARRA) was signed into law by President Obama on February 17, 2009. ARRA will have some financial impact on many municipalities in Tennessee. While a significant level of ARRA funding will be available for schools and education activities, there will be a host of other programs and grants from direct sources through federal agencies and indirect sources administered by state agencies.

The Office of the Tennessee Recovery Act Management (TRAM) was created by the governor to ensure accountability, transparency, and compliance with the ARRA in Tennessee. According to a report issued by TRAM on September 1, 2009, Tennessee has been awarded to-date over \$5 billion in grants. Local governments have received about \$270 million of this amount.

TRAM has issued twelve directives for state and local agencies that receive ARRA grants. These <u>directives</u> can be found on the comptroller's Web site. It is important for all local government recipients of ARRA grants to follow these directives and take immediate action necessary to comply with them. Some of the more important directives are listed below:

- 1. Each local government should designate a senior accountable official for Recovery Act activities.
- 2. ARRA grant revenue and expenditures/expenses should be identified separately in the government's accounting system.
- Each municipality should follow the internal control guidance prescribed by the Comptroller of the Treasury, Division of Municipal Audit.
- 4. Each municipality should adopt a separate risk assessment process for each ARRA program.

(Continued from page 1)

The Division of Municipal Audit also has developed a document called "<u>Ten Steps to Compliance for Agencies</u> <u>Reporting to Municipal Audit</u>." Municipalities should review their last annual financial audit and document to be sure that they have corrected any prior year audit findings that identified material or significant deficiencies in internal control that deal with receipting, disbursing or expending funds in any office that will administer ARRA funds. This normally apply will to the finance office, city recorder's office, or city clerk. All single audit findings (OMB Circular A-133) also should be corrected. Municipalities should verify that any uncorrected lack of segregation of duties audit finding has been corrected using guidance from the Division of Municipal Audit's publication <u>The Manual</u> or compensating controls.

Municipalities can get assistance and information regarding compliance issues for ARRA programs by contacting their MTAS finance or management consultant.



Web Site Created to Provide Economic Development Answers for West Tennessee

State, regional, and federal agencies serving West Tennessee have created a new Web site tool to enhance delivery of programs and services to customers throughout the region.

The Web site, <u>http://www.economicanswerstn.com</u>, which is sponsored and managed by West Tennessee Industrial Association (WTIBA), is designed to provide government leaders, economic development practitioners, and business and industry leaders with a central point of contact to access information on resources and assistance available through agency partners, including the UT Institute for

MTAS Staff Highlight

Meet Ronnie Neill, MTAS Municipal Management Consultant

Ronnie Neill is an MTAS Municipal Management consultant in West

Tennessee covering 40 cities. His cities are located in the following counties: Benton, part of Carroll, Henderson, Hardin, Decatur, Madison, McNairy, Lauderdale and Tipton. Neill began working at MTAS in 1993 in the west Tennessee office. Neill specializes in risk management for municipal government and currently serves as secretary to the Tennessee Risk Management Association.

Neill has a bachelor's degree in criminal justice from the University of Tennessee at Martin. His first job out of school was as a youth services officer for the Fayette County Juvenile Court. He was elected city recorder of Somerville in 1978 where he served as city recorder, treasurer and judge. Neill then served as a county manager for Production Credit Association for five years, lending money for agricultural production in Fayette County. Neill then was a principle broker and an independent real estate agent and appraiser for 10 years in Fayette County. While in the real estate business, he served two years as an alderman and six years as mayor in Somerville.

Neill grew up in Somerville, Tennessee, still lives there with his family, and currently serves as an alderman in Somerville. He is a member of the Alumni Council of the WestStar Leadership program in West Tennessee, and in his free time Neill enjoys playing golf and traveling with his family.

Neill can be contacted at <u>ronnie.neill@tennessee.edu</u> or 731-425-4780.

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New Open Meetings Exception Not Used By Cities

Melissa Ashburn, MTAS Legal Consultant

This year, the General Assembly adopted Public Chapter 175 which permits local government officials to participate in meetings via Internet forum, but the requirements that must be met may discourage cities from availing themselves of this option. This law expands a recent pilot project in Knox County by making the option available to all local governments. Codified at T.C.A. § 8-44-109, the law permits governing bodies to "allow electronic communication between members by means of a forum over the Internet" only if specific requirements are met.

Before permitting such Internet discussions, the governing body must:

- Ensure that the forum be "available to the public at all times other than that necessary for technical maintenance or unforeseen technical limitations";
- Provide "adequate public notice" of use of the forum;
- "Control who may communicate through the forum";
- "Control the archiving of the electronic communications to ensure that the electronic communications are publicly available for at least one (1) year," and access to the archived communications must be "user-friendly for the public"; and
- "Provide reasonable access to members of the public to view the forum at the local public library, the building where the governing body meets or other public building."

The law further requires that such Internet forums "shall not substitute for decision making by the governing body in a meeting."

... T.C.A. § 8-44-109 permits governing bodies to "allow electronic communication between members by means of a forum over the Internet" only if specific requirements are met.

Before city officials may hold such Internet chats, the governing body must file a plan with the Office of Open Records Counsel. The plan is then evaluated by Open Records Counsel, who will report within 30 days whether or not the plan complies with the requirements. If the plan fails to comply, Open Records Counsel will provide written comments to the governing body. No Internet forums are allowed under the law until the office issues a report of compliance.

Open Records Counsel Elisha Hodge reports that no such plans have been approved for cities at this time. The

> submissions she has received so far lack the specificity required by law, and further lack documentation that the governing bodies are committed both to submitting a plan for her review and to maintaining the forum in accordance with the requirements. For that reason, Ms. Hodge requests that plans submitted to her office contain a resolution, stating that the governing body approves

of the plan and the submission of the plan to the Office of Open Records Counsel. Although the statute does not specifically require a resolution, it is reasonable that such would be required to show the governing body voted to approve a plan, and further that the board agrees to follow such a plan.

Plans should be submitted to Elisha Hodge, J.D., Open Records Counsel, 505 Deaderick Street, Suite 1600, James K. Polk Building, Nashville, Tennessee, 37243-1402.

Ms. Hodge also may be contacted through the official Web site for Open Records Counsel: http://www.state.tn.us/comptroller/openrecords/.

For further information on the open meetings law, see the MTAS publication <u>Open Meetings in Tennessee:</u> <u>Compliance with the Public Meetings Law.</u>

Fire Marshal Seeking Input on Residential Sprinklers

Ray Crouch, MTAS Fire Management Consultant

The 2009 session of the Tennessee General Assembly amended current law so that the building code now applies to one- and two-family homes. This was done primarily to bring Tennessee homes to a higher energy code standard. Tennessee ranks number one out of the 50 states in energy consumption per household.

In addition to energy, one- and two-family homes will be subject to inspection by either local or state inspectors with regard to plumbing, mechanical, and general construction standards. This process will ensure that the homeowner gets a well-constructed house. The General Assembly specifically exempted one- and two-family homes from having to meet the residential sprinkler requirements in section 19 (8) of Public Chapter 529. However, they required the Department of Commerce and Insurance, [Section 19 (9)], which has building code enforcement authority within the State Fire Marshal's Office, to seek public input on whether residential sprinklers are cost effective.

It is the official position of the U.S. Fire Administration that all Americans should be protected against death, injury, and property loss resulting from fire in their residences. All homes should be equipped with smoke alarms and automatic fire sprinklers, and families should prepare and practice emergency escape plans.

The Department of Commerce and Insurance has called for input from anyone interested in this topic and specifically from the Tennessee Fire Chiefs Association and the Home Builders Association of Tennessee.

All written materials should be sent to Jim Pillow, Assistant Commissioner, Tennessee Department of Commerce and Insurance, ATTN: Residential Sprinkler Analysis, 500 James Robertson Parkway, 3rd Floor, Nashville, Tennessee, 37243.

What Every City Needs to Know About Health, Dental and Life Insurance

Don Darden, MTAS Municipal Management Consultant

Many municipalities in Tennessee offer some kind of health, dental and life insurance program for their employees. Today there are more types of insurance and more choices than ever before. Local decision makers sometimes are confused by terms such as HMO, PPO, fee-for-service, self-funded, partially self-funded, POS, HIPAA, term and whole life insurance, and other unfamiliar jargon.

The purpose of this MTAS publication is to explain the various kinds of health, dental and life insurance products available for local governments and provide practical assistance for you to develop a fair and equitable procurement process for purchasing such insurance.

The publication includes sample requests for bids for health, dental and life insurance providers. <u>Click here to read or download this publication.</u>

MTAS Salary Survey Time in Tennessee

It's time again to enter current salary data into the MTAS Online Salary Survey database. This information is



used by local government officials across the state to compare their employee salaries with other cities in their employment market.

Positions responsible for human resources in your city will be provided a password to the survey. The survey opened on September 28 and will close on November 13.

Help us build the most comprehensive salary database of local government officials in the country.

For technical questions, please contact Justin O'Hara, IT consultant, at justin.ohara@tennessee.edu.

Anonymous Tip of Reckless Driving Justifies Detention of Truck Driver

Dennis Huffer, MTAS Legal Consultant

The Tennessee Supreme Court upheld a Loudon police officer in detaining and arresting the driver of a tractor trailer



after an anonymous tip of reckless driving from a citizen. *State v. Hanning* (October 20, 2009). The issue in the case was whether the warrantless detention and questioning of the driver violated the search and seizure provisions of the state and federal constitutions.

Facts

The Loudon officer received a report that a citizen had observed a black 18-wheeler with a "Smith Brothers" logo being driven recklessly north on I-75 and that the truck had just exited. The officer was very close to the exit ramp, turned on his blue lights, and pulled very close in front of the truck. The officer observed the "Smith" logo on the black truck, questioned the driver, administered field sobriety tests, and arrested the driver for DUI.

Decision

The court held that under the facts of this case, the warrantless detention was valid because it was supported by reasonable suspicion that the driver had committed a crime. The court explained why the anonymous informant was credible and the suspicion reasonable: (1) the tip was made at the time the reckless driving was occurring; (2) the officer almost immediately confirmed much of the informant's information; (3) reckless driving is readily observable by the public, and there is a limited amount of time to inform the police so the likelihood of the informant fabricating the information is diminished; and (4) it is highly improbable in this situation that the informant would have been conveying false information to harass the driver. The court also noted that had the officer failed to act, the driver or members of the public could have been killed or injured.

Caution

Police departments and officers should be aware that the ruling in this case is based upon its facts. The indicia of reliability of the informant here were high, and the results of failure of the officer to act could have been tragic. The absence of either could have led to the officer's actions being declared unconstitutional and to possible liability for the officer or the city.

MTAS Announces Completion of Elected Officials Academy Level II in Livingston

On September 22, 2009, a total of 14 elected officials in the Upper Cumberland Region completed Level II of the MTAS Elected Officials Academy.

The EOA Level II program consists of 16 hours of municipal instruction beyond Level I. MTAS Municipal Management Consultant Warren Nevad said that the Livingston Academy students met once a month for two two-hour hour classes for four months beginning in June 2009 and ending September 22, 2009. Municipal courses taken by the graduates included police administration taught by MTAS Police Consultant Rex Barton; fire administration taught by MTAS Fire Consultant Gary West; wastewater utility issues taught by MTAS Wastewater Consultant Brett Ward; municipal personnel taught by MTAS Human Resources Consultant Bonnie Curran; legislative issues taught by MTAS Legal Consultant Dennis Huffer; parks and recreation taught by PARTAS consultant Mack Reagan; public works taught by MTAS Consulting Program Director Sharon Rollins; and "City Council At Work" taught by Nevad.

Participants in the course were: Baxter Mayor Jeff Wilhite, Byrdstown Mayor Billy Robins, Byrdstown Aldermember Opal Clayborn, Collegedale Commissioner Katie Lamb, Crab Orchard Mayor Emmett Sherrill, Crab Orchard Aldermenber Darlean Mullinax, Harriman Commissioner Ken Mynatt, Gainesboro Aldermember John Cassetty, Graysville Mayor Ted Doss, Graysville Commissioner Robbie Davenport, Livingston Aldermembers David Sadler II, Lynn King and Cynthia Robbins, Jamestown Mayor Gwenith Duncan, Jamestown Recorder Sarah Ann Threet, and Sunbright Mayor Dennis Reagan.

Nevad also added that this was a wonderful opportunity for fellow elected officials in the Cumberland Plateau to share tips, stories and good old fashion camaraderie among colleagues facing similar issues. MTAS would like to thank the city of Livingston for its use of a city facility for MTAS training.



Tennessee Renewable Energy and Economic Development Council to Meet November 17 in Memphis

Please join us as the Tennessee Renewable Energy and Economic Development Council (TREEDC) holds its



first meeting in west Tennessee. We invite you or a designee to become an advisory board member and to attend our meeting at the University of Tennessee Health Sciences Center in Memphis on November 17, 2009.

The Municipal Technical Advisory Service (MTAS), TREEDC and StrataG (<u>www.stratag.org</u>) have partnered to develop an informative session highlighting recent and future activities in biofuels and biomass-related sustainable development. University of Tennessee President Emeritus Dr. Joe Johnson is chairman of the TREEDC advisory board and will deliver the keynote address on leadership in renewable energy.

West Tennessee has abundant renewable feedstocks to help Tennessee become more energy independent and self-reliant. Your input to the advisory board will help the Council create a regional network of local communities that actively provide assistance as well as share ideas, resources and information about biofuels, solar energy and wind energy. A preliminary <u>agenda</u> is linked here to provide a glimpse of the variety of topics that will be covered.

The registration fee is \$20 and includes refreshments and lunch. Please RSVP to Warren Nevad, MTAS Municipal Management Consultant, at <u>warren.nevad@tennessee.edu</u> or 865-974-9839 to receive an information packet, agenda and directions to UTHSC. Payment should be made the day of event.

Read here about our first meeting held in East Tennessee: http://www.mtas.tennessee.edu/TREEDC/ newsletter_article.pdf.

MTAS and the Alliance for Innovation Deliver National Best Practices in Tennessee

For the past two years, MTAS, with the direct assistance of certain Tennessee cities, and the Alliance for Innovation have partnered to bring the services of the Alliance to Tennessee cities via a statewide membership.

We are pleased to work with the Alliance to provide this service to the cities of Tennessee. The MTAS/Alliance statewide membership provides you with:

- Alliance Webinars at member rates, and selected Alliance Webinars are provided free of charge to Tennessee cities;
- The Knowledge Center, which provides sample documents, white papers, and studies from local governments nationwide; and
- Wikis where resources are shared and discussions flow on topics of interest to local government staff and officials.

The Alliance for Innovation is a unique partnership with

ICMA, Arizona State University (ASU) and its School of Public Affairs, and the former Innovation Groups. The three organizations are partnered in a



mission to transform local government and advance community excellence through the discovery and application of leading ideas and practices. Through the MTAS/Alliance partnership, Tennessee city governments have national exposure to local government innovations and have the opportunity to participate in a network that fosters creativity and innovation.

To learn more about the Alliance for Innovation contact Toni Shope, East Regional Director, at <u>tshope@transformgov.org</u> or 800-777-2509. For more information about the MTAS/Alliance membership, please contact Mike Tallent, MTAS Executive Director, at <u>mike.tallent@tennessee.edu</u> or 865-974-9856.

MTAS Training Program Manager Retires

On October 5, MTAS honored Training Program Manager Izetta Slade with a luncheon at Calhoun's Restaurant by the



beautiful Tennessee River. Izetta retired with 10 years of service to the University of Tennessee. Her husband, Larry Slade, moved last year to accept a position on the coaching staff at University of Louisville. Izetta will join him there.

From July 2005 until October 2009, Izetta provided steadfast leadership as training program manager for MTAS. Her accomplishments and commitment to excellence are recognized and respected by colleagues in IPS as well as by MTAS customers.

We will miss her and wish her the very best!

(ARRA continued from page 2)

Public Service, the Tennessee Department of Economic and Community Development, Tennessee Valley Authority, Development Districts, USDA Rural Development, and others.

The Web site was developed as a result of discussions held in March 2008, at the Economic Development Field Summit, a statewide meeting of community and economic development agency representatives, including consultants from MTAS, CTAS and IPS. Summit participants were challenged to strengthen partnerships among technical assistance providers to address opportunities and challenges in communities and regions throughout the state.

The new Web site provides an overview of each partner agency and field consultant contact information, a brief description of agency programs and resources, a mechanism to e-mail one or many field agents with a specific question or request for services, and an opportunity to post current events and news articles related to economic and community development.

To learn more about the Web site, please contact Jim Blankenship at the WTIBA at 731-668-4300.

MTAS Training Classes

Municipal Administration Program November 2009 | Business Tax

Administering and collecting the local business tax can be difficult. There are different classes of businesses, each with different due dates and tax rates, a variety of exceptions and tax credits allowed, state reporting requirements, and various other procedures that can be quite confusing. This class addresses these problems and the updates passed this year. This course is designed for all municipal employees who handle finance and the implementation and collection of business tax. Register

November 4	Collegedale
November 5	Johnson City
November 6	Knoxville
November 12	Franklin
November 18	Lakeland
November 19	Jackson

Certified Municipal Financial Officer November 2009 | Financial Reporting I

November 3	Spring Hill
November 10	McMinnville
November 10	Athens
November 10	Jackson
November 16	Jackson
November 18	White House
November 18	Morristown

Try it Out! Live Chat on MTAS Web site



We are now testing a live chat feature on our Web site to give you one more way to contact MTAS. This pilot test ends on November 20, so be sure to come to our Web site soon and give it a try!

Cities that have tried the chat feature so far are Athens, Graysville, Chattanooga, and Signal Mountain.

One city said, "I think the MTAS Live Chat is a great addition to the Web site."

Go to <u>http://www.mtas.tennessee.edu/public/</u> web.nsf/Web/Ask+Librarian

Municipal Technical Advisory Service

Calendar of Events

November 3 - 6 Tennessee Fire Safety Inspectors Association Conference (Murfreesboro)



November 17 Tennessee Renewable Energy and Economic Development Council (Memphis)

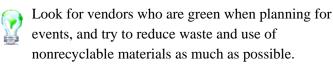
November 16 - 17 West Tennessee Sustainable Tourism Workshops (Jackson and Memphis)

November 18 - 20 Tennessee Risk Managers Association Conference (Nashville)

November 19 - 20 Introduction to 2009 Residential Code (Kingsport)

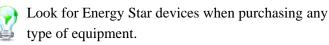
Tips for Being More "Green" in the Workplace

Turn out the lights when you leave your office or any unused room for any length of time...not just at the end of the day.





Use the recycling bins located in your office.



Encourage customers to adopt the same practices.

New MTAS Publications

IRS Rules for Diesel Fuel and Gasoline Purchases Ron Darden, MTAS Municipal Management Consultant View

Good Service Request Systems Keep Customers Happy Justin O'Hara, MTAS IT Consultant and Steve Wyatt, MTAS Utilities Operations Consultant <u>View</u>

The Relocation of City Utilities on a StateHighway ProjectRon Darden, MTAS MunicipalManagement ConsultantView

Latest Additions to the MTAS Library

"Burying Bodies in the Backyard." Sid Hemsley, MTAS Legal Consultant. A legal opinion was requested on whether or not a person can be buried in their own backyard in the city. <u>View</u>

2009 Certified Population of Tennessee Incorporated Municipalities

Local Planning Assistance Office. Tennessee Department of Economic and Community Development. <u>View</u>

<u>Click here</u> to read or download the complete list.

MTAS Staff Vacancies

MTAS has the following openings in our Knoxville office:

- IPS Consultant II. MTAS Legal Consultant
- IPS Consultant II. MTAS Training Consultant
- IPS Consultant III. MTAS Management Consultant.

For complete descriptions of these positions, please visit the MTAS Web site at "<u>View job listings</u>" or call the Knoxville office at 865-974-0411.

"Municipal E-News" is provided by the University of Tennessee Municipal Technical Advisory Service in an effort to meet the challenge of providing timely, valuable information and assistance to Tennessee cities to build better communities.

If you have any questions or comments related to this newsletter please contact Frances Adams-O'Brien at <u>frances.adams-obrien@tennessee.edu</u>.

... in cooperation with the Tennessee Municipal League