

MTAS Municipal Technical Advisory Service
INSTITUTE FOR PUBLIC SERVICE

MUNICIPAL E - NEWS

JUNE 2019 | QUARTER 2 | ISSUE 92



SEE WHAT IS COMING UP
MTAS TRAINING CLASSES
bit.ly/MTAS_trainingcalendar

NEW RESOURCES

Identify Critical Valves and their influence on system operations.

(Article in Opflow. -- Vol. 44, no. 10 (October 2018))

[Request this item](#)

An Ordinance Allowing Leashed Dogs on a Particular Section of the Tusculum Linear Trail

[Download](#)

Letter to City of Eagleville, Tennessee Regarding Annexation Notifications with Statute References

[Download](#)

Resolution for Adopting Updated Set of Personnel Policies and Procedures

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[Meet MRLn! ... The new MTAS Research Library Online](#)

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MESSAGE FROM MTAS EXECUTIVE DIRECTOR

Greetings Municipalities,

Did you know that May 5 – 11 was Public Service Recognition Week (PSRW)? I hope that you celebrated. If not, I hope that you'll make plans to do so for next year. The first week in May is the dedicated week. This celebration has been occurring for 35 years. If you are interested in learning more, please visit this site:

<https://psrw.ourpublicservice.org/>

What does it mean to be a public servant? What is servant leadership? There are many interpretations, and the ones I agree with the most are (respectively): government employees or officials who help the public; and treating others as your customers, regardless of their status. To exhibit servant leadership is to put others' needs before your own.

On April 15, 2019, MTAS celebrated 70 years of existence. We are an organization based on service (hey, it's in our name) and an attitude of servant leadership. We are here to help you, and thereby help your customers – the residents, taxpayers, voters, visitors, businesses and other stakeholders in your community.

So, from one group of public servants to another, we thank you for your dedication to your municipality. You are getting the job done, and many times without the hearty thanks that you deserve. Please know that we recognize your contributions, and we appreciate you!

Most sincerely,

Margaret Norris

MTAS Executive Director





Meet MRLn, the Newest Tool in Your Municipal Information Toolbox!

MRLn, the new MTAS Research Library Online, replaces MOLLY and we can't wait to show what this new tool can do for you.

In a nutshell...



the right articles, books, DVDs, forms and more.



your searches and search results to be able to repeat the search and find all of the new materials in your area of interest.



items you've located to be sent to you, suggest new materials for the library and request assistance.

View this video introducing MRLn: <https://youtu.be/OheeLDcx-J4>
Stay tuned for an introductory webinar soon on how to make the most out of MRLn!



mrln.mtas.tennessee.edu

GET READY, IT'S ALMOST TIME FOR THE AUDIT

By Joe Cosentini, MTAS Management Consultant and AI Major, MTAS Finance and Accounting Consultant

As the fiscal year comes to a close and budgets get adopted, MTAS wanted to give everyone a friendly reminder about what happens after we close the books on FY2019. That's right folks, it's almost audit season. Most of you probably have your auditor already lined up or are in the process of doing so. If you don't, please reach out to your assigned management or finance consultant at MTAS to assist in getting this process started. Another option is to review the Comptroller's Office Audit Manual (2018) that has all the relevant standards and procedures necessary for a compliance audit and a sample Request for Proposal (RFP) document that can be used if your city is searching for a new auditor.

Speaking of the Comptroller's Office, their Division of Local Government Audit is statutorily required to audit all local governments in Tennessee. This includes the 95 counties and over 1,600 municipalities, non-profits, and related local government entities. Most of these audits are carried out by CPA firms and other third party contractors as, understandably, the Division of Local Audit does not have the resources to carry out over 1,700 audits per year. In other words, the contracts that cities sign for the annual compliance audit are actually three-party agreements between the Comptroller's Office, the city, and the CPA firm. Once the audit is completed, the division reviews the audit for compliance and will review the CPA firm's audit report working papers in order to be sure the work is adequate to support the audit opinion included in the city's final audit report.

Timely audit reports are to be submitted to the state within six months of the end of the fiscal year. December 31 is the target with few exceptions. Audit reports filed after the target date are considered delinquent filings and could result in delinquent notifications being sent to lender, grantors, bond counsel, regulatory boards, etc. As of March 2019 only 79 percent of the FY2018 audit reports for municipalities and municipal related entities were submitted to the state. Let's all make an effort to get the number up to 100 percent for the FY2019 audit.



Why is all of this important? Well, we are talking about tax payer and rate payer's money. Not the city's money. It's the money of your neighbors, friends, and relatives that goes to provide necessary projects and services critical to the administration of a civilized society. A good municipal audit can give the public confidence that the elected officials and professional staff are managing their tax dollars in a reasonable way.

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As always, if you need any help getting through this process, contact MTAS...we are here to help.

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Let's Get Technical on Audit Findings

Most Common Audit Findings for Tennessee Cities? A Lack of Segregation of Duties.

This is a common finding in both counties and cities and is the most common breakdown in internal controls according to the state Division of Local Government Audit.

What can you do to minimize this finding? Municipal officials should separate duties of employees so that no one person has control over a complete transaction from beginning to end. The purpose of segregating responsibilities is to prevent fraud in the form of asset misappropriation and intentional financial misstatement. If internal control is to be effective, there needs to be an adequate division of responsibilities among those who perform accounting procedures or control activities and those who handle assets. In general, the flow of transaction processing and related activities should be designed so that the work of one individual is either independent of, or serves to check on, the work of another.

For small cities, compensating detective controls can mitigate the risk of or lack of segregation of duties. This involves an elected official to review daily and monthly reports, making bank deposits, reviewing monthly bank reconciliations, and conducting unannounced spot-checks of financial transactions.

Again, MTAS can help you establish good internal controls and provide you with separation of duties checklists that will work in even very small offices with only a couple of employees.

NEW GOVERNMENT AUDIT STANDARDS

By Kay Stegall, MTAS Finance and Accounting Consultant

The new generally accepted government audit standards (GAGAS), more commonly referred to as (The Yellow Book) has tightened up on the auditor's ability to perform non-audit services.

What are non-audit services? The most important services to municipalities listed by the standards as needing careful evaluation are financial statement preparation, cash-to-accrual conversions, reconciliations and creating supporting schedules (depreciation schedules). If the auditor determines the client does not have the skills, knowledge and experience (SKE) to understand and take responsibility for this information then independence is impaired and they should resign from the audit.

There are other activities, which auditors are prohibited from performing, that put more responsibility on the municipal financial and accounting staff to stay current on continuing professional education.



MTAS classes on topics such as year-end closing and preparing governmental financial statements will be excellent classes to take in 2019 as this standard is effective for the upcoming June 30, 2020 fiscal year end.

The full Yellow Book text can be found at the U.S. Government Accountability Office webpage <http://www.gao.gov/yellowbook>

TIER II REPORTING TEAM CONTINUES TO SPREAD AWARENESS: Collaboration of IPS Agencies CIS, MTAS, and CTAS

By Hannah Holder, UT CIS Communication Specialist

The Center for Industrial Services (CIS) team continued to travel across the state this month to spread awareness of Tier II reporting. Tier II reports are used by the Tennessee Emergency Management Association (TEMA), county emergency managers, first responders, local emergency planning committees and others to help industries and communities develop effective emergency plans to keep first responders safe.

The Tier II reporting initiative is a collaboration among the public safety teams of three UT Institute for Public Service agencies: CIS, Municipal Technical Advisory Service (MTAS) and County Technical Assistance Service (CTAS).

On April 25, Albert Tieche and Charles Gluck of CIS hosted an informational session with Dennis Wolf and Steven Cross of MTAS at the Tennessee Fire Chiefs Association Spring Conference in Gatlinburg. During this session, Tieche and his team addressed members of the industrial fire committee.

"Talking to the industrial fire committee is pretty appropriate because they are addressing that very thing. This class is about how to file Tier II reports and how to get that information to the first responders who need that, if and when they respond to an emergency at a manufacturing plant,"

Albert Tieche, CIS Safety Consultant

Tieche sees the collaboration among CIS, MTAS and CTAS as an opportunity to reach audiences that CIS may not be able to reach alone.



"The interesting thing about this group is that it has city fire people, county fire people and industrial fire people as members. Those three groups don't always overlap but they really join here in the industrial fire committee,"

Albert Tieche, CIS Safety Consultant

CIS hosted its first EPCRA Tier II Training Program/CIEP workshop for industry representatives, emergency managers and first responders in January. In the morning session of this workshop, participants learned how to determine if they must file an Emergency Planning and Community Right-to-Know Act (EPCRA) Tier II report, how to gather and organize the information and how to file accurately. The afternoon session of this workshop provided participants with a better understanding of the importance of the state management planning details and first responders need for accurate and timely Tier II data.

CIS will be hosting four more EPCRA Tier II Training Program/CIEP workshops this year. In order to ensure access to these training opportunities, participants can attend online as well as in person.

2019 MUNICIPAL COURT CLERKS CONFERENCE

More than 200 municipal court clerks and municipal court judges gathered recently for the Municipal Court Clerks Conference in Franklin.

Mayor Ken Moore of Franklin opened the conference and welcomed the clerks to Franklin. Deana Hood, municipal court judge for Franklin and Spring Hill, followed the mayor and offered additional opening remarks to kick-off the conference. Additional speakers included representatives from the Tennessee Department of Safety and the Federal Bureau of Investigation (FBI).

Attendees heard presentations from several speakers that covered a broad range of topics. The discussions gave the attendees a new perspective on ADA issues and diversity and inclusion.

Notably, Poppy Steele gave a presentation highlighting the best practices for interacting with the deaf community. She even taught the attendees several words and phrases to sign. Steele is the founder and board member for Sign Club Co. and has written a book called *Deaf in a City of Music*.

The department of safety offered an update on commercial drivers and a panel discussion. The four-person panel answered questions from the audience, mostly concerning suspended driver's licenses and the pending federal litigation on this issue.

Candace Warner gave a presentation on diversity and inclusion in the public service sector. Warner is a sociologist, as well as the founder and CEO of people3, Inc. The final presenters were two FBI agents. They spoke about law enforcement's challenges with extremist groups and sex trafficking in Tennessee.

Additionally, several municipal court clerks were recognized for receiving the Municipal Court Clerk Certificate. They are:

Angie Bain (Goodlettsville)
Rhonda Burnette (Coopertown)
Vivian Conn (Nolensville)
Ann Flatt (Algood)
Bethany Hamel (Alcoa)
Kelly Hall (Estill Springs)
Kristi Hensley (Bristol)
Carolyn Joyner (Brownsville)
Hope Lewis (Kingsport)
Lindsay Maddox (Union City)
Darlene London (Lewisburg)
Tammy Moore (Kingsport)
Karen Pennington (Rossville)
Heather Phillips (Norris)
Melanie Reese (Fayetteville)
Laura Ridenour (Caryville)
Lorie Rice (Grand Junction)
Carolyn Scott (Covington)
Chariesse Seals (Rogersville)
Ruth Watkins (Franklin)
Sandy Westmoreland (Chapel Hill)



We are very proud of these court clerks who were recognized for receiving the Municipal Court Clerk Certificate.

TOWN OF MONTEREY COMPLETES SOLAR PROJECT

Congratulations to the town of Monterey for using solar energy to save on the cost of their electric bills. The town entered into an agreement with Tennessee Renewable Energy and Economic Development Council (TREEDC) corporate member Hannah Solar in 2017 to provide solar panels at three locations. The locations include the emergency services building, water intake station and the wastewater plant. A total of 145 kilowatt of solar arrays were installed that will generate at least \$36,000 in savings during the next 20 years.

Monterey/TREEDC Mayor Bill Wiggins is also exploring solar opportunities for Monterey's industrial businesses and energy efficient lighting for the town.



Monterey solar panels

MTAS TRAINING - EDUCATING YOUR LEADERS

By Johanna Owenby, MTAS Training Consultant

The success of an organization is often attributed to its leadership. Great leaders inspire people and drive high performance, producing results through their own hard work and the work of others.

The exciting news about becoming a great leader is that anyone can do it! Great leaders are not born; they're made through effort, commitment and self-awareness.

One of the ways leaders can sharpen their skills is through commitment to learning, and MTAS provides leadership development opportunities to managers and city leaders. Two such programs are the **Municipal Management Academy (MMA)** and the **Elected Officials Academy (EOA)**.



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MMA is a certificate program that presents topics that leaders need in their management careers. The program has three levels, each with its own curriculum of courses and requirements. Topics include motivation, planning, human resources, decision-making and more. At this time, eight different MMA programs are in progress or planned to begin by April; enrollment in these programs is expected to top 200 participants.



Testimonials:

We have utilized the MTAS - MMA training extensively over the past four years. The feedback I receive from our participants is always very upbeat and positive. The most rewarding part for me is observing our participants utilize the skills they acquire through the training out in the field. This program is an integral part of our employee development process and gives our future leaders some of the key competencies they need to be successful.

Steve Willis, HR Director, Johnson City

EOA is a certificate program that provides new (and seasoned) elected officials with information they need to succeed as city leaders. Topics include forms of government, charters, ethics, finance and more. MTAS has delivered EOA at seven locations across the state since the latest election cycle in the fall. The academy was offered in Germantown, Jackson, Goodlettsville, Columbia, Algood, Knoxville and Collegedale, and more than 150 new and existing elected officials have completed the program since November 2018.

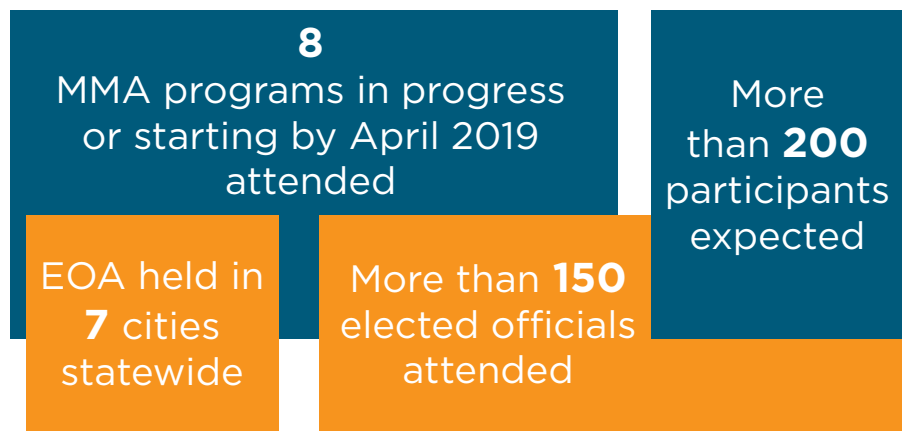
MTAS can bring these programs to you, or we can customize training to your specific needs. How can we assist you with educating the current and future leadership in your city?

For information about MTAS training:

Municipal Management Academy East TN: [Johanna Owenby](#)

Municipal Management Academy Middle and West TN: [Sarah Curtis](#)

Elected Officials Academy: [Johanna Owenby](#)



UPCOMING CONFERENCES

TENNESSEE MUNICIPAL LEAGUE

June 22-25, 2019 | Memphis

ICMA ANNUAL CONFERENCE 2019

October 20-23, 2019 | Nashville

TnPRIMA ANNUAL CONFERENCE

November 20-22, 2019 | Franklin



ICMA
conference

NASHVILLE

— TENNESSEE —

105th Annual Conference

OCTOBER 20-23 **2019**

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