



Leaders at the Core of Better Communities

Annual Business Meeting

Tuesday, September 20, 2011
Frontier Airlines Center



Agenda

ICMA ANNUAL BUSINESS MEETING David Childs, ICMA President, Presiding

Tuesday, September 20, 2011

9:45 a.m. to 10:45 a.m.

Ballroom C

Frontier Airlines Center

- I. Call to Order and Introduction

- II. Consent Agenda
 - A. Memorial to Deceased Members
 - B. Receipt of the ICMA Annual Audit
 - C. Report of ICMA Canvassing Committee

- III. ICMA-RC Report

- IV. Executive Director's Report

- V. Good of the Order
 - Consideration of any items raised by a member

- VI. Adjournment

Deceased ICMA Members since 2010 Annual Conference

Lyle Alberg, city manager, Hemet, Calif., 1981 – 88; city manager, Arcadia, Calif., 1978 – 81; city manager, Independence, Mo., 1968 – 78; city administrator, Montebello, Calif., 1960 – 68; assistant city administrator, Montebello, 1958 – 60; and personnel officer, Monterey Park, Calif., 1957 – 58.

Patrick R. Burelle, city manager, Algonac, Mich., 2009 – 2010; city administrator, Aledo, Ill., 2006 – 2009; village manager, Lyons, Ill., 2002 – 2005; building director/assistant manager, Lyons, Ill., 1999 – 2002; property standards manager, Sarasota County, Fla., 1997 – 1999; and building department director, West Warwick, R.I., 1996 – 1997.

James V. Mudd, county manager, Collier County, Fla., 2002 – 2009; deputy county manager, Collier County, Fla., 2001 – 2002; and public utilities administrator, Collier County, Fla.

Douglass P. Bales, assistant city manager, Irving, Tex., 1990 – 2000; assistant city manager/administrative services, Irving, 1986 – 90; assistant city manager, community services, Irving, 1983 – 86; administrative assistant to city manager, Irving, 1982 – 83; deputy director of Public Works, Irving, 1980 – 82; assistant city manager, Irving, 1974 – 78; administrative assistant to city manager, Irving, 1972 – 74; administrative assistant, Irving, 1969 – 72; and administrative intern, Irving, 1967 – 69.

Eugene H. Denton, county administrator, Johnson County, Kans., 1985 – 98; city manager, Wichita, Kans., 1976 – 85; assistant city manager, Dallas, Tex., 1968 – 76; and assistant to the city manager, Fort Worth, Tex., 1960 – 68.

Ralph Hester, city manager, Groveland, Fla., 2006 – 2010; city administrator, Garden City, Mich., 2003 – 04; county administrator, Menominee County, Mich., 2000 – 03; city administrator, Belle Isle, Fla., 1998 – 99; county administrator, Barrien County, Ga., 1996 – 98; county manager, Elbert County, Ga., 1995; city manager, Holly Hill, Fla., 1991 – 95; city manager, Lynn Haven, Fla., 1985 – 91; city manager, Milaca, Minn., 1982 – 85; manager, Zephyrhills, Fla., 1981; and administrative assistant, Treasure Island, Fla., 1977 – 81.

Oscar Hettema, code consultant, Charlotte County, Fla., 1977 – 78; director of building and planning, Charlotte County, 1962 – 77; city manager, Ridge Manor, Fla., 1959 – 61; city manager, Winter Haven, Fla., 1957 – 59; and city manager, Dade City, Fla., 1946 – 57.

James R. Huff, city manager, Oskaloosa, Iowa, 1983 – 93 ; borough manager, Wilkinsburg, Pa., 1973 – 83; city manager, Sikeston, Mo., 1972 – 73; city manager, Saratoga, Calif., 1967 – 72; public works director, Saratoga, Calif., 1959 – 67; engineer, Mexico, Mo., 1956 – 59; and highway engineer, Virginia Department of Highways, Va. 1949 – 55.

Arthur R. Johnson, city manager, Bend, Oreg., 1971 – 86; city manager, Woodburn, Oreg., 1968 – 71; assistant city manager, Corvallis, Oreg., 1959 – 68; Bureau of Government Research, University of Oregon, Oreg., 1959; and recorder, Albany, Oreg., 1956 – 59. He was an ICMA regional vice president, 1976 – 78.

Charles H. Lynn, town administrator, Southwest Ranches, Fla., 2009 – 11; deputy district manager, Village Community Development Districts, Fla., 2008; village manager, Wellington, Fla., 1996 – 2008; city manager, Henderson, Ky., 1994 – 96; assistant city manager, Ocala, Fla., 1987 – 94; director of community development, Charlotte, Fla., 1986 – 87; director of zoning permits, Citrus, Fla., 1985 – 86; director of planning commission, Boone, Ky., 1983 – 85; director of urban renewal, Belleview, Ky., 1981 – 82; director of community development, Boone, Ky., 1980 – 81; and director of community development, Hardin, Ky., 1979 – 80.

John C. Munn Jr., town manager, Indian Trail, N.C., 1995 – 2005; county manager, Stanly County, N.C., 1994 – 95; county manager, Union County, N.C., 1974 – 94; county manager, Surry County, N.C., 1971 – 74; administrative assistant, Guilford County, N.C., 1970 – 71; and senior planner, Guilford County, N.C., 1966 – 70.

Kevin J. Murphy, city manager, Newport Beach, Calif., 1992 – 98; city manager, Alhambra, Calif., 1983 – 92; assistant city manager, Alhambra, 1981 – 83; assistant to the city manager, Alhambra, 1980 – 81; administrative assistant to city manager, Lancaster, Calif., 1978 – 80; administrative aide, Stanton, Calif., 1977 – 78; and administrative intern, Walnut, Calif., 1977.

Lee E. Riordan, advisor to mayor's association, Monterey County, Calif., 1991 – 96; city manager, Monterey, 1987 – 91; city manager, San Leandro, Calif., 1976 – 86; assistant city manager, San Leandro, 1956 – 76; and finance assistant/purchasing agent, San Leandro, 1952 – 56. He was an ICMA Range rider, 1997-2003.

Norris W. Stilphen, village manager, Deerfield, Ill.; 1959 – 79; executive secretary, Ipswich, Mass., 1955 – 59; and village manager, Old Orchard Beach, Maine, 1954 – 55. He was an ICMA Range Rider, 1985-2003.

Gary A. Smoak, county administrator, Newberry County, S.C., 2001 – 03; county manager, Union County, N.C., 1996 – 2001; county administrator, Anderson County, S.C., 1993 – 96; county administrator, Orangeburg County, S.C., 1981 – 93; county director, Greenwood County, S.C., 1977 – 81; and personnel director, Richland County, S.C., 1973 – 77.

William M. Nelson, served Western Springs, Ill., as deputy village manager, 2006 – 11; director of municipal services, 2000 – 06; assistant director of municipal services, 1999 – 2000; and municipal services coordinator, 1992 – 99.

James A. Reams, city manager, Orem, Utah, 1996 – 2010; assistant city manager, Orem, 1993 – 96; city manager, West Jordan, Utah, 1992 – 93; assistant city manager, West Jordan, 1987 – 92; program coordinator, West Jordan, 1985 – 87; and city manager, Washington City, Utah, 1982 – 85.



Leaders at the Core of Better Communities

August 29, 2011

TO: The ICMA Executive Board

SUBJECT: Results of Fiscal Year Ended June 30, 2011

The certified public accounting firm of Rubino & McGeehin has completed its audit of the financial records of the Association delivering an unqualified opinion on the financial statements for the year ended June 30, 2011. The audit report will be presented to the Audit and Evaluation Committee of the Executive Board via conference call on September 13, 2011.

For the year ended June 30, 2011, revenues exceeded expenses by \$1,450,589 for all funds on total revenues of \$33,855,620 and expenses of \$32,405,031. Unrestricted revenues of \$33,537,595 exceeded expenses of \$32,405,031 by \$1,132,564. Temporarily restricted revenues were \$318,025. The Association's combined net assets at fiscal year-end were \$6,889,796 as represented by unrestricted net assets of \$5,120,638 and net assets in temporarily restricted funds of \$1,769,158.

The Association's total assets, net of appropriate allowances and accumulated depreciation and amortization, at June 30, 2011 were \$14,096,912 consisting of \$6,978,154 of cash and investments, net accounts receivable of \$4,834,989, publications inventory, net of allowances, of \$450,902, net furniture, equipment and leasehold improvements of \$739,927, and other assets of \$1,092,940. Total liabilities and deferred revenues were \$7,207,116 consisting of accounts payable and accrued expenses of \$2,335,387, refundable advances of \$504,047, deferred revenues of \$4,321,456, and other liabilities of \$46,226.

Review copies of the 2011 audit report are available for inspection upon request.

Based upon my knowledge, the financial statements and other financial information included in the audit report, fairly present in all material respects the financial condition, results of activities and cash flows of the International City/County Management Association as of, and for, the periods presented. I recommend that the audit report of Rubino & McGeehin be accepted by the membership as written.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Robert J. O'Neill".

Robert J. O'Neill
Executive Director

ICMA FY 2011 Year End Financial Results

Financial Results of Operations: ICMA programs and activities resulted in a record gain from operations in FY 2011 of \$1,237,564. Members redeemed \$105,000 in debit cards during the year resulting in an addition to Net Assets of \$1,132,564 in FY 2011. Financial results for the programs and activities are classified and reported below according to the strategic outcomes as reflected in the FY 2010 – FY 2012 ICMA financial plan.

MEMBERSHIP DUES:

	Revenues		Labor, Fringe and Direct Costs		Contribution to Net Assets	
	<u>Actual</u>	<u>Budget</u>	<u>Actual</u>	<u>Budget</u>	<u>Actual</u>	<u>Budget</u>
	Membership Revenue	\$ 4,821,577	4,900,000	-	-	4,821,577

Membership dues revenue fell short of budget by \$78,423. Membership numbers dropped from an all time high of 9,195 in June 2009 to 8,691 in June 2011.

MEMBER SERVICES:

	Revenues		Labor, Fringe and Direct Costs		Contribution to Net Assets	
	<u>Actual</u>	<u>Budget</u>	<u>Actual</u>	<u>Budget</u>	<u>Actual</u>	<u>Budget</u>
	Member Services	371,048	276,500	825,693	1,067,085	(454,645)
Relationship Management	74,017	21,000	550,947	534,258	(476,930)	(513,258)
Member Communications	30,052	12,000	36,800	30,784	(6,748)	(18,784)
TOTAL MEMBER SERVICES	\$ 475,117	309,500	1,413,440	1,632,127	(938,323)	(1,322,627)

Member services includes expenses for the awards and ethics programs, personal support and range rider activities, member committees, the Job Center, partners programs, and member operations. Relationship management includes state liaison activities, ICMA support of the National Association of County Administrators (NACA) and affiliate relationships with the National Forum for Black Public Administrators and the International Hispanic Network. Member communications includes the *ICMA Newsletter* and the electronic *Local Government Matters*.

Revenues in this area exceeded budget because of higher than anticipated advertising in the Job Center and in the *ICMA Newsletter*. With expense controls and labor savings due to open positions, net contribution from this area did better than budget by \$384,304.

PROFESSIONAL DEVELOPMENT:

		Revenues		Labor, Fringe and Direct Costs		Contribution to Net Assets	
		Actual	Budget	Actual	Budget	Actual	Budget
Conference	\$	2,122,715	1,836,550	1,315,118	1,336,313	807,597	500,237
Member Development		262,920	267,391	151,783	153,182	111,137	114,209
Other Professional Development		590,880	773,610	516,945	790,897	73,936	(17,287)
Sponsorships		220,000	220,000	-	-	220,000	220,000
TOTAL PROFESSIONAL DEVELOPMENT	\$	3,196,515	3,097,551	1,983,845	2,280,392	1,212,670	817,159

Conference includes results of the ICMA Annual Conference held in San Jose, CA. Net contribution from the San Jose conference in October 2010 exceeded budget by \$307,360 primarily due to higher than budgeted attendance, and higher sponsorship and exhibit hall revenue. The conference continued to receive sponsorships of \$300,000 each from CIGNA and ICMA-RC. Conference expenses were slightly lower than what was a seriously trimmed down budget mainly due to savings on keynote sessions due to host committee efforts. The virtual conference had more attendees than prior fiscal year but fell short of budget by \$76,000.

Member development includes programs for senior managers and emerging leaders. Net contribution from these programs met budget. Other professional development includes the ICMA University courses, workshops, assessments, audio conferences, product development, and local government ethics training workshops. Net contribution from this area exceeded budget due to lower than budgeted expenses.

ICMA-RC provided \$220,000 in sponsorships to the ICMA University and an additional \$134,000 in sponsorships for Leadership ICMA and Leading Ideas programs.

Overall net contribution from this area exceeded budget by \$395,511.

INFORMATION:

		Revenues		Labor, Fringe and Direct Costs		Contribution to Net Assets	
		Actual	Budget	Actual	Budget	Actual	Budget
Public Policy	\$	-	-	88,187	129,087	(88,187)	(129,087)
Publishing	\$	1,076,477	949,091	1,273,572	1,201,813	(197,095)	(252,722)
Knowledge Center	\$	5,000	35,000	151,982	285,155	(146,982)	(250,155)
TOTAL INFORMATION	\$	1,081,477	984,091	1,513,742	1,616,055	(432,265)	(631,964)

Public policy includes costs to issue white papers on “211/311: Is There a Case for Collaboration?” Publishing activities includes textbooks and reports, survey research, and *PM* magazine. New titles were released in the fiscal year including *Homeland Security: Best Practices for Local Government*, 2nd edition; *Economic Development Strategies for State and Local Practice*, 2nd edition and the completely redesigned *Municipal Year Book 2011* and six *InFocus* reports.

The Knowledge Center includes the Knowledge Network and the partnership with the Alliance for Innovation. The Knowledge Network was launched in May 2010 with professionals from all levels and functions in local government networking and actively exchanging knowledge. Performance issues related to the KN have been noticeably improved as has been the functionality of blogs.

Revenues in this area exceeded budget due to higher than budgeted textbook sales, PM ad revenues, and sponsored surveys. With increased revenues and expense controls, the net contribution from this area did better than budget by \$199,699.

U.S. PROGRAMS:

	Revenues		Labor, Fringe and Direct Costs		Contribution to Net Assets	
	Actual	Budget	Actual	Budget	Actual	Budget
Business Development and Management	\$ -	-	705,920	742,583	(705,920)	(742,583)
Center for Performance Measurement	912,729	1,021,806	666,742	820,434	245,988	201,372
Center for Sustainability	1,885,120	1,961,507	1,223,349	1,502,286	661,772	459,221
Center for Public Safety	1,419,069	1,724,750	1,049,027	859,636	370,042	865,114
TOTAL U.S. PROGRAMS	\$ 4,216,919	4,708,063	3,645,038	3,924,939	571,882	783,124

The Center for Performance Measurement developed and tested software to improve accessibility and analytical capacity for participants which was released to end-users in August 2011. Revenues were lower than budget reflecting the increasing difficulty in attracting and retaining participants as local governments face budget shortfalls. However, net contribution from the Center for Performance Measurement (includes CPM and the National Citizen Survey) exceeded budget because of expense controls.

The Center for Sustainable Communities held the Brownfields conference in April 2011. Attendance exceeded 5,000; the exhibit hall was at capacity; and sponsorships were high. The audit issues related to seven co-operative agreements awarded by the Environmental Protection Agency were resolved and settled during the year with a final payment of \$157,398. Though revenues were lower than budgeted, net contribution from the Center for Sustainability exceeded budget due to higher indirect cost recovery rates.

The Center for Public Safety Management changed its business model during the year. In order to reduce the fixed costs of operations, projects are carried out using third-party consultants under a fixed priced arrangement which allowed for the reduction of 4 full time staff during the first fiscal quarter. Net contribution from this area fell short of budget because management services projects were not pursued as anticipated in the budget and because of timing of revenue and expense recognition in Public Safety projects.

Overall net contribution from this area fell short of budget by \$211,242.

INTERNATIONAL PROGRAMS:

	Revenues		Labor, Fringe and Direct Costs		Contribution to Net Assets	
	<u>Actual</u>	<u>Budget</u>	<u>Actual</u>	<u>Budget</u>	<u>Actual</u>	<u>Budget</u>
Business Development and Management	-	-	1,484,323	1,516,091	(1,484,323)	(1,516,091)
International Technical Assistance	16,346,436	19,094,229	12,509,243	15,275,384	3,837,193	3,818,845
ICMA Latin America	85,506	-	60,823	34,501	24,683	(34,501)
TOTAL INTERNATIONAL PROGRAMS	\$ 16,431,942	19,094,229	14,054,389	16,825,976	2,377,553	2,268,253

International program revenue fell short of budget due to delays in start up of new awards in Afghanistan. A majority of the International programs are in Afghanistan and the risk and uncertainty related to this funding is high. Though revenues fell short of budget, net contribution exceeded budget because of the fees recovered in the Afghanistan projects.

MARKETING AND COMMUNICATIONS:

	Revenues		Labor, Fringe and Direct Costs		Contribution to Net Assets	
	<u>Actual</u>	<u>Budget</u>	<u>Actual</u>	<u>Budget</u>	<u>Actual</u>	<u>Budget</u>
Corporate Partnership Program	220,000	250,000	107,364	152,265	112,636	97,735
Form of Government	-	-	40,361	80,624	(40,361)	(80,624)
Marketing	31,673	-	539,984	583,871	(508,311)	(583,871)
TOTAL MARKETING & COMMUNICATIONS	\$ 251,673	250,000	687,709	816,760	(436,036)	(566,760)

The corporate partnership program exceeded budget due to lower than budgeted expenses. Form of Government expenses includes activities to assist communities seeking to adopt or retain council-manager government. Marketing expenses are lower than budget due to the vacant Director position. Expenses related to the Life Well Run campaign and contributions received are reflected in the Fund for the Profession. On February 25, 2011, the Texas City Management Association made a \$50,000 contribution and an additional \$50,000 pledge in support of ICMA's Life, Well Run Value of the Profession (VOP) campaign in conjunction with ICMA's Executive Board meeting in Austin, Texas. The ICMA Executive Board continues to encourage other associations to make contributions that are similarly representative of the percentage of ICMA members in each state.

SUPPORT SERVICES:

	Revenues		Labor, Fringe and Direct Costs		Contribution to Net Assets	
	<u>Actual</u>	<u>Budget</u>	<u>Actual</u>	<u>Budget</u>	<u>Actual</u>	<u>Budget</u>
Leadership and Management	\$ 1,000	-	1,099,967	938,657	(1,098,967)	(938,657)
Facilities	1,144,111	1,075,000	2,406,063	2,546,622	(1,261,951)	(1,471,622)
Other Support	34,666	55,000	4,699,792	4,836,591	(4,665,125)	(4,781,591)
TOTAL SUPPORT SERVICES	\$ 1,179,778	1,130,000	8,205,822	8,321,870	(7,026,044)	(7,191,870)

This area includes the support activities in ICMA such as Executive Board, Executive Office, Leadership Team, Customer Contact Center, Administration, Finance, HR, IT, and Facilities. Overall expenses came under budget in this area by \$165,826 due to staff vacancies and other expense controls.

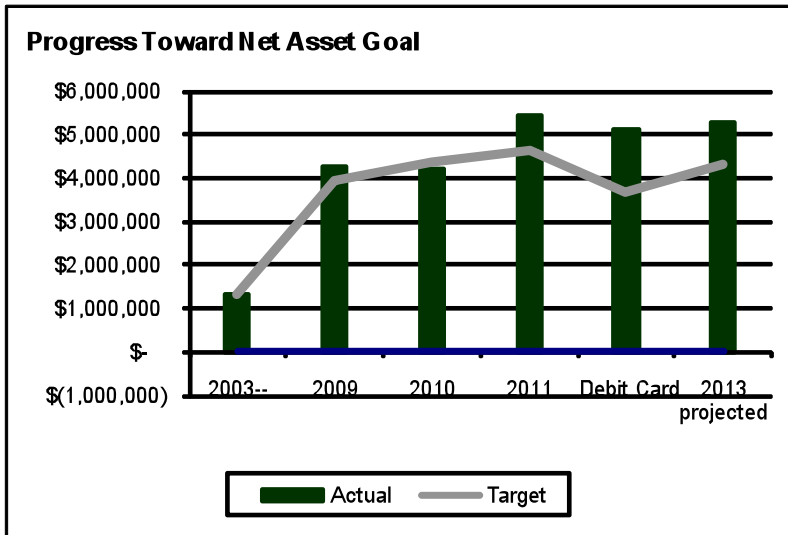
OTHER:

	Revenues		Labor, Fringe and Direct Costs		Contribution to Net Assets	
	<u>Actual</u>	<u>Budget</u>	<u>Actual</u>	<u>Budget</u>	<u>Actual</u>	<u>Budget</u>
ICMA-RC: CSLGE						
Reimbursement	\$ 685,101	659,107	504,914	467,422	180,187	191,685
ICMA-RC: Royalty	355,055	323,000	-	-	355,055	323,000
Investment income	551,307	640,000	-	-	551,307	640,000
TOTAL OTHER	\$ 1,591,464	1,622,107	504,914	467,422	1,086,549	1,154,685

ICMA-RC reimburses ICMA for all direct and indirect costs associated with administering and managing the Center for State and Local Government Excellence. ICMA-RC also pays ICMA a royalty based on a formula tied to RC's gross revenues. This amounted to \$355,055 for FY 2011. Investment income includes interest earned on investments and a dividend payout of \$535,000 from the investment in the building through a Real Estate Investment Trust (REIT).

FINANCIAL GOALS AND OBJECTIVES:

Each year as part of the financial planning process, the Board establishes goals and benchmarks for unrestricted net asset balances for the Association. ICMA consistently exceeded the net asset goals each year from FY 2004 – FY 2009. In FY 2010, due to the impact of the economy on several business lines, net contribution fell short of budget and ICMA had a net loss from operations. In FY 2011, net contribution was at a record high covering the shortfall in FY 2010 and meeting budget for FY 2011 putting ICMA on track to exceed the target net asset balance.



To: ICMA Executive Board
From: 2011 Canvassing Committee
Date: February 18, 2011
Subject: Results of 2011 ICMA Ballots

On February 18, 2011, the undersigned personally reviewed and verified the counting of the official ballots received online or by mail. There were 1,816 ballots received for the Executive Board Election (1,765 online and 51 by mail). The results of the count were as follows:

For Vice President, Southeast, Three-Year Term

Kenneth L. Chandler: **Yes: 1,576**
 Write-in: 12
 No Choice/Inv: 228

For Vice President, Northeast, Three-Year Term

John P. Bohenko: **Yes: 1,565**
 Write-in: 22
 No Choice/Inv: 229

For Vice President, Midwest, Three-Year Term

Robert E. Kiely, Jr.: **Yes: 1,587**
 Write-in: 15
 No Choice/Inv: 214

For Vice President, Mountain Plains, Three-Year Term

Melissa Mundt: **Yes: 1,550**
 Write-in: 11
 No Choice/Inv: 255

For Vice President, West Coast, Three-Year Term

Troy S. Brown: **Yes: 1,526**
 Write-in: 19
 No Choice/Inv: 271

Constitutional Amendment-Creation of Regional Nominating Committees to Replace ICMA Nominating Committee

Yes: 1,625
No: 164
No Choice/Inv: 27

Constitutional Amendment-Addition of a Third International Vice President to the Executive Board

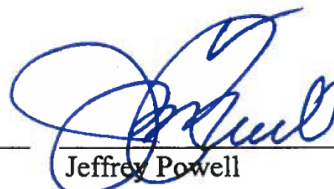
Yes: 1,449
No: 346
No Choice/Inv: 21



Kimberly Alexander



Thomas Wiczorek



Jeffrey Powell