

## Keep Carter County Beautiful Board Meeting Minutes

Tuesday, February 1, 2022

Zoom Meeting

**Board Members Present:** Ed Jordan, Ginger Holdren, Ross Garland, Mike Mains, Mike Simerly, Simon Maddox, Don Hlavaty, and Ed Basconi

Guest Present: Lisa Vezzosi

**Call to Order:** Don Hlavaty opened the meeting at 12:00 noon.

Approval of the Agenda: Don Hlavaty call the special meeting to discuss the Terms of Contract between KCCB and the Elizabethton Chamber of Commerce Foundation.

**Chamber Contract Discussion:** Don requested each member to discuss their thoughts on the contract to hear their opinions of the contract clauses.

Ed Jordan stated he was not in agreement with the proposed contract agreement. He has established KCCB as a volunteer organization to benefit the community and there is a fun factor. Ed is worried about losing volunteers if we pay certain people and not others. He stated he had issue with the transparency of our assets and felt the Chamber should not possess any assets. He was concerned with the credit/debit card being in Joy's name rather than KCCB. Because of Lora's resignation, some secretarial/administrative duties may be needed, that clause was added. Ed feels now that Lisa is secretary and can manage these requests, the Chamber clause should be removed. There are no administrative duties that will take place for 8 hours/week, so the mandatory fee should be removed. He also indicated that while Rikki could perform administrative duties, all these activities had to be directed by Joy, so KCCB loses control. Ed was also concerned if funding is not given in the future, there are no funds to pay the Chamber. He is worried about the bureaucracy and slow reactions of the Chamber Board if they must vote on all our activities and expenditures. Ed indicated that he did not want to burn bridges with the Chamber, however, he wanted KCCB funds used to be visible to the community, like beautification projects and litter clean-up. He intended that money received should be spent for the benefit of the City and County.

Mike Simerly indicated he was not in agreement with the proposed contract agreement. He felt disappointed by the Chamber Board's decisions. He spoke to Preston Cobb in City Finance regarding the checks issued to KCCB, Preston indicated checks cut for KCCB had to be deposited in Chamber account because of the 501C3. He already found financial errors including missing checks, which he had to reconcile with Joy. He is not sure if Daniel Estes could provide KCCB checks without the Chamber because of the 501C3 status.

Don interjected that Lisa had conducted a lot of research on the 501C3 application process. If KCCB income was less than \$50,000 annually, for a minimum fee and amount of work. He thought it did not seem to be a big deal to apply for ourselves rather than rely on the Chamber to handle.

Mike Mains indicated he was not in agreement with the proposed contract agreement. He indicated it was not a reflection of the City or County as partners. He was uncomfortable with this agreement. Mike feels KCCB has a better group of people working now and we should remain on our own.

Ed Basconi indicated he was not in agreement with the proposed contract agreement. He wondered if this action would jeopardize our funding. We could get funding from the city. He understands the control for audit purposes, but they are overbearing. He is uncomfortable with the non-disclosure of their actions. Ed is in favor of pursuing the 501C3 on our own, so we would own our banking and finances.

In response to Ed, Don indicated that in December, KCCB already requested \$7,000 from the County and \$5,000 from Elizabethton for fiscal year 2022-2023.

Ginger Holdren indicated she could agree to go with the majority, but she would have been voting as a yes to the Chamber contract agreement. She says the Chamber has spent a lot of time on this document. She felt to avoid burning the bridge due to the fees of their lawyer, creating bank checks, etc., we should adopt the agreement. If we pull the plug, it still cost money for the Chamber. She indicated that she applied for the grant paperwork under the Chamber, so if we got it, we may need to decline it and give it back.

Ed Jordan responded to Ginger stated the credit/debit card said Joy's name, so he already gave it back to Joy requesting it be issued under KCCB name.

Simon Maddox indicated he was not in agreement with the proposed contract agreement. He stated the contract leaves a sour taste in his mouth. Simon stated looking for the future and opportunities outweigh the Chamber errors. We need our own 501C3 to move forward. At present, we cannot find donations in community without the 501C3 for us. While the Chamber is great to bring the community together, but this is stifling our mission. With regards to the 501C3 short form application, he asked if we get greater donations, can we expand to utilizing the long form over \$50,000 in donations. He received a yes answer.

Ed Jordan stated we should look at the 501C3 form application after our official vote.

Ross Garland indicated he would agree with the proposed contract agreement. He stated that he was in the middle because he resides on both Boards. He thinks if we vote no, the Chamber will not partner with us again. They feel they have accommodated us already. The finance issue will be complex if we go on our own. They wrote the contract to protect themselves and it should be a benefit to us. He stated that he was passionate for each side since he is on both Boards. He felt they may not be as demanding of money as we perceive. He is afraid if we shut this down, it will hurt in the future. Ross said we should try it for one year.

Don stated as we read the contract and the control of finances, it refers to an Executive Director of the Foundation and not a Director of the Chamber. Don asked who that is?

Ross replied that he thought it was Joy, but that he was not sure. As a committee under the Chamber of Commerce and not a part of the Board, they control the finances, but he is not sure.

Ed Basconi asked the group, the question of what would it take to change minds and make the contract more acceptable?

Ed Jordan stated he was still a no vote because our Board loses power. We wanted assistance to partner with businesses. We lose control by their Board voting for our projects. We need to stand on our own to handle our mission. He felt we did not want to feel snowballed into the Foundation controlling of all our funding and activities. We need to partner, not merge to help out each other.

Don indicated if we go into the Foundation meeting on 2/7/22 regarding our autonomy, we want to maintain our funds and activities. We can ask for more control.

Ed Jordan asked if we should hold off on our vote until after the 2/7/22 meeting. He indicated that previously, Joy said this agreement is "it."

Don stated that Kathy says the Chamber could be more accommodating, but Joy has indicated the opposite.

Simon said it may have been more of a miscommunication on how we wanted to partner with the Chamber. We need to meet on 2/7/22 and clarify what we want. We want to partner, not be controlled as merger.

Ed Jordan stated we initially asked for a partnership, but we got a merger. He felt we will lose volunteers and board members based on this agreement as written now.

Don stated we should not take a vote today. We should go to the 2/7/22 meeting and ask for a partnership, not a merger. Since Ed, Don, and Ross will be at the meeting, Don asked for a proxy from Ginger, Mike, Mike S, and Simon to vote at the 2/7/22 meeting.

Simon asked Ross if the Chamber has partners?

Ross indicated he did not know of any.

Don asked the group if we should pursue both paths of applying for our own 501C3 to not be carried under the Foundation?

Ed Jordan indicated he did not want to be under the Foundation. He asked if Chamber has the 501C3 for us, or is it for others, as well?

Ross indicated the 501C3 was for the Foundation. He said if we try to change the agreement, Chamber may shut down future “ask.”

Ed Basconi stated he worked on the Johnson City School Board and their Foundation is a 501C3. The monies go through the Foundation and move to the projects. He felt the language was strict on the Chamber side. Since it is a one-year contract, we should pursue and not damage the work done by Simon & Melinda or any other business relationships. We could pursue on our own and convert after one year.

Don indicated to take that path; we need to change the separation clause of the current agreement. If they say no, we could be stuck losing our assets.

Ed Jordan stated we could go to the meeting on 2/7/22. We can pursue on our own to avoid funding through the Chamber. We do not want to burn out on management activities, so we could do own work. We need to stand on our own.

Ed Basconi thought we still would not get out of finances.

Don stated the group should not vote today. However, if a separation clause change to allow leaving the Chamber is not made, Ross and Ed have a good point. If the Foundation will not accommodate us, we should say no. He asked for a suggestion on the motion to act.

Simon asked what has been submitted for the 501C3 by the Chamber?

Ross indicated he thought it was done by the Chamber already.

Ed Jordan asked what money is being charged by Seth for Facebook, etc. at 8 hours per week? They are not doing it. Previous requests for clerical assistance have been ignored. He felt our administrative tasks are low volume, and Lisa can do it.

Don indicated he made a pros and con list. His pros were:

- Tax Exempt status for us and our donators
- Connection to the business community
- Official office space and Zoom for our meetings
- Additional clout with city and county, liaison with businesses
- Funding from the city and county (is it dependent on being in the Foundation?)
- PayPal and social media administration and support (we would have to get our own)
- Insured for events
- Social media and newsletter mailing (how often?)

Cons were:

- We have to sign over our assets
- Chamber oversight of finances, what does this entail?

- Spending has to be approved
- Control of our funds
- Reliance on Chamber Director to direct staff to perform duties for KCCB – staff (even though paid for by KCCB) takes direction and scheduling by Chamber Director. No control of how fast or slow things are done
- Must pay Chamber staff at 8 hours a week, regardless of need
- Needs approval from Elizabethton Chamber of Commerce Foundation for change in budget for the program
- Request to separate requires a vote by the Chamber. If they vote “NO,” what then? How long would it be to get a vote?

Mike Mains asked Ross if this is the first project for the Chamber? He suggested we send Don’s list to hammer out the details. He is in favor to try out for one year.

Ross stated this is the first time for the Chamber.

Don stated we should go to the 2/7/22 meeting and ask for flexibility and discuss the details. We should postpone the vote until after the 2/7/22 meeting. We can express our concern with the clauses and discuss with the Chamber. Don asked the group if they were agreeable to discussing the concerns at the 2/7/22 with the Chamber Foundation. Agreement was made by Mike Mains, Ross, Ed Jordan, Simon, Ginger, Mike Simerly, and Ed Basconi.

Ed Basconi indicated the biggest pro to the Chamber is the insurance coverage. He has concerns of danger about people working on roadways, etc. He wondered if we would need a lawyer about being sued.

Ed Jordan indicated we have participants sign the TDOT waivers to avoid the litigation.

Ginger stated Mike Mains is used to the city groups and asking items from city boards. As participants (Mike, Ross, and Ginger) we come prepared to these meetings with our numbers we need. The Chambers has offered 8 hours of support to us each week. Perhaps we should use them for now. She is concerned that we will lose out on the grant. The costs to the Chamber could be offset by the cost of the grant. She indicated that Seth has a talent for event planning, and he has been tapped into Carter County Banks events. He could have a value to KCCB. She also asked if Ed Basconi could attend the 2/7/22 meeting since Mike Simerly could not attend?

Ed Basconi indicated he could go with Don, Ed Jordan, and Ross to the 2/7/22 meeting.

Ed Jordan made a motion to pursue moving forward on the 501C3 ourselves. Ed Basconi suggested to wait until after the 2/7/22 meeting. The motion was seconded by Simon. The vote was unanimous to pursue the 501C3 on our own.

Motion made to adjourn the meeting at 1:20pm.

Submitted by Lisa Vezzosi