

# InTrust

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## Risk Management Trustees Elected

Three new trustees were elected and one trustee re-elected in the first election of trustees by the membership of the Risk Management Trust. The elections were held as a result of overwhelming approval of a new intergovernmental agreement which called for trustees to be elected by the trust membership instead of being appointed by the president of TSBA. The intergovernmental agreements call for elections in the state to be divided into nine districts and a trustee to be elected from each district by the members in that district. Elections occur as trustee terms expire. Three trustees are elected each year for three year terms. Following is a brief sketch about each trustee elected this year.

### District 4: Billy Joe Evans

Billy Joe Evans was elected to a three year term representing District 4. He is the superintendent from Fayetteville City Schools and has served in this position for the past 17 years. He also has served as president of the TSSAA Legislative Council and as the secretary of the TOSS Board. He has been a school administrator since 1972. Billy Joe is the second superintendent to serve on the trust board of trustees and the first to be elected by the membership. (Edwin Garrett, former superintendent of Overton County was the first.)

### District 5: Mark Farley

Mark Farley was elected to a two year term from District 5. He was first appointed to the board of trustees in 2003. Mark is the Director of Finance for White County Government. He has served on the White County Board of Education since 1996 and served as a member of the TSBA Board of Directors as Upper Cumberland District Director for three years. His term is two years in order to make staggered terms work out so that three trustees are elected each year.

### District 6: Joe Treece

Joe Treece is a new trustee elected to a three year term from District 6. He is a member of the Wayne County Board of Education. He has served on this board for 28 years and has been chairman for twelve years. He is president of Joe Treece Enterprises, Inc. which is a manufacturing company that has been in business for 42 years. He also served on the Clifton City Council for six years.

### District 9: Larry Griffin

Larry Griffin is the first county mayor elected to serve as a trustee for the Risk Management Trust. He has served as Crockett County mayor since 2002. He also has served on the Emergency Medical Services Board for 11 years and served as the Director of Emergency Services for Crockett County for 30 years. He was named Crockett County Chamber of Commerce Man of the Year in 1999. IT

## Unemployment Compensation Trustees Elected

We have received all intergovernmental agreements for the Unemployment Compensation Trust. The response has been overwhelming support for the election of trustees. As a result, the first elections for trustees have taken place in the Unemployment Compensation Trust. Following are the results:

### David Jones Elected to At-large Position

David Jones is the first school board member to be elected by the membership to a three year term as an at-large member of the board of trustees. He has been a member of the Hancock County Board of Education since 1980 and has served as the chairman since 1999. He was appointed to the Unemployment Compensation Trust Board of Trustees in 1993 and currently serves as the vice-chairman. He also serves on the Risk Management Trust Board of Trustees and is a past president of TSBA. He served on the TSBA Board of Directors for 10 years.

### Ron Britt Wins Middle Tennessee Position

Ron Britt is the first person to be elected by the Middle Tennessee membership to a three year term on the board of trustees. He has been a member of the Wilson County School Board since 1998 and was appointed to serve on the Unemployment Compensation Trust in 2002. He has served as both chairman and vice-chairman of the Wilson County School Board. He serves TSBA as a TLN and FRN Representative.

Congratulations to all the newly elected trustees. We look forward to working with you. IT

## Three Trustees Leave Board

Three Risk Management trustees have completed their terms and leave the board of trustees effective June 30, 2005.

Gloria Sweet-Love is a member of the Haywood County Board of Education and is the president-elect of TSBA. She has been a trustee since 1993.



Gordon Morris has been a member of the board of trustees since 2001. He is a member of the Weakley County Board of Education and immediate past president of TSBA.



Darryl Deason has been a member of the board of trustees since 2001. He is a member of the Cannon County Board of Education. He is moving out of his district and leaving the board of education.



Thank you Gloria, Gordon and Darryl for your service as Risk Management Trustees. IT

## Trusts May Have New Competition

The TSBA Board of Directors, meeting on June 11, 2005, apparently decided to explore the possibility of establishing a trust to directly compete with the RMT programs even though the RMT has a signed sponsorship agreement with TSBA which expires on June 30, 2006. IT

## Few Boards Bid Insurance

The Risk Management Trust is a pool of governmental entities operating a first-class risk management program. Most boards understand the concept because they continue their membership from year to year without bidding. They recognize that they have agreed to be a part of a pool of governmental entities owned and governed by the membership.

Only nine of the 156 RMT members requested bids this year. We retained seven of the nine members who bid even though quotes for members bidding are sometimes as much as 25% higher because members who bid are excluded from the pool and priced separately without the advantages of group pricing on excess insurance purchased by the pool. That is why the legislature specifically granted governmental entities an exemption from the bidding requirement if the governmental entity participates in a pool for governmental entities.

Advantages of participation in the Risk Management Trust include:  
\_ members have agreed to be a part of a pool of governmental entities which own the pool themselves.  
\_ members are doing business with themselves.  
\_ members who exercise their responsibility to all other members to control losses, are also controlling the cost of participation.  
\_ members who bid are excluded from the pool and priced separately without the advantages of group pricing on excess insurance purchased by the pool.  
\_ members who bid might get a lower premium for the first year but they will likely see an increase in the second and third years.  
\_ members who help the pool earn a profit strengthen the pool and help to hold premiums down.  
\_ members who continuously participate in the same high quality loss control and safety program reduce accidents and lower premiums.

In the long term, the RMT will be the best coverage for the lowest price of any risk management program available to Tennessee schools and governmental entities. We appreciate our faithful members who depend on the trust for your risk management needs. We pledge to provide service of the highest quality to your board and its employees and constituents. IT

## Minutes Online

The trusts have experienced some rather remarkable events over the past several months. Both the Risk Management trustees and the Unemployment Compensation trustees have dealt with some highly unusual and controversial situations and have handled it with integrity and class. The trustees have continued to make decisions in the best interest of the members of the trusts. They have continued to respond to unfounded accusations and implications in a responsible manner.

Check it out yourself. Read the minutes of the Risk Management Trust meetings at [www.tnrm.net](http://www.tnrm.net) and the Minutes of the Unemployment Compensation Trust at [www.tnrm.net/uct](http://www.tnrm.net/uct) to learn what really happened. You will discover whether what you have heard is true. Please check it out! IT

## UCT Sponsorship

During each of the last two meetings of the UCT, the trustees requested TSBA to provide a sponsorship proposal to justify payment by the UCT to TSBA or direct payment for a sponsorship activity. TSBA responded through its attorney that they believe the use of TSBA's name by the UCT is reason enough to justify a payment of \$85,000 annually. A careful review of the minutes of the UCT show clearly that the UCT has paid TSBA only for staff and services but no payment has ever been made to TSBA for the use of the TSBA name. The letter from TSBA's attorney says that if the UCT does not pay \$85,000 annually for the use of its name that it must stop using the name. The only use the UCT makes of the TSBA name is in a requirement that participation in the UCT requires membership in TSBA and in the annual TSBA calendar sponsored by the UCT. IT

## Trust Administrative Offices May Be Forced To Move

TSBA through their attorney has given official notice of their intent move out of their half of the building jointly owned by TSBA and the Risk Management Trust. The notice went on to say that they may choose to sublet or sell their interest in the building. The Trustees were quite surprised by the notice because the Trustees entered into the agreement on the building primarily to assist TSBA in acquiring what was thought to be an ideal headquarters for TSBA. The Risk Management Trust will, according to contract, receive the right of first refusal but the building is not nearly such a good fit for the Trust as for TSBA. IT