

City of Bartlett

David Parsons, Mayor

BOARD OF MAYOR AND ALDERMEN MEETING AGENDA

TUESDAY, FEBRUARY 14, 2023 - BARTLETT CITY HALL - 6:00 PM

INVOCATION

Opening Prayer by Fred Shackelford, Ellendale Baptist Church

FUTURE MEETINGS

Board of Zoning Appeals, February 16 at 6:30 p.m.

Historic Preservation Commission, February 20 at 7 p.m.

BPACC Advisory Board, February 21 at 6 p.m.

Ad Hoc Christmas Parade Committee, February 28 at 7 p.m.

RECOGNITIONS

Official Business of the Day

MINUTES ACCEPTANCE

Minutes of the January 24, 2023 Board of Mayor and Aldermen Regular Meeting

CONSENT AGENDA

- 1 Special event permit for Running of the Rams 5K Walk/Run Fundraiser.
(Trey Arthur, Director of Code Enforcement)**

The event will be held on Friday, May 12 from 5 p.m. to 10 p.m. at Oak Elementary School.

- 2 Purchase of performance dance floor for Singleton Community Center.
(Shan Criswell, Director of Parks and Recreation)**

Request authorization to purchase performance dance flooring from Sports Floors at a total cost of \$33,865.08. Sports Floors is a sole-source provider. Funds are available in 311.48311.780.51722.

- 3 Treasurer's Report for December 2022. (Dick Phebus, Director of Finance)**

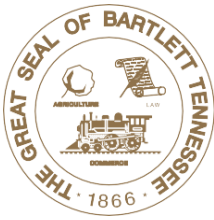
NEW BUSINESS

- 1 Appoint Tommy Higgs, Sr. to the Shelby County Waste Board. (David Parsons, Mayor)**

- 2 Resolution 01-23, a resolution to support restoring the historic state shared sales tax relationship and the increased single-article cap revenue-sharing relationship between the State of Tennessee and local governments. (Steve Sones, Chief Administrative Officer)**

- 3 Resolution 02-23, a resolution to delete uncollectible accounts from ambulance customers' accounts receivable. (Dick Phebus, Director of Finance)**

OPEN DISCUSSION**ADJOURNMENT**



City of Bartlett

David Parsons, Mayor

BOARD OF MAYOR AND ALDERMEN MEETING MINUTES

TUESDAY, JANUARY 24, 2023 - BARTLETT CITY HALL - 6:00 PM

ATTENDANCE

Mayor David Parsons: Present, Alderman Brad King: Present, Alderman Robert Griffin: Present, Alderman David Reaves: Present, Alderman Bobby Simmons: Present, Vice Mayor Jack Young: Present, Alderman Kevin Quinn: Present.

INVOCATION

Opening Prayer by Scott Greer, New Hope Christian Church

FUTURE MEETINGS

City Beautiful Commission, February 2 at 6:30 p.m.

Family Assistance Commission, February 6 at 6 p.m.

Parks and Recreation Advisory Board, February 9 at 6 p.m.

RECOGNITIONS

Recognition of Scott Greer as former City Chaplain

Mayor Parsons recognized Scott Greer as former City chaplain and presented a certificate and coin.

Recognition of Bartlett City School Board Members

Mayor Parsons recognized the Bartlett City School board members during School Board Appreciation Week. The following were in attendance and received certificates of appreciation:

Shirley Jackson, Erin Berry, David Cook, and Brad Ratliff. Bryan Woodruff was not in attendance.

*****Official Business of the Day*****

Minutes Acceptance: Minutes of Jan 24, 2023 6:00 PM (MINUTES ACCEPTANCE)

MINUTES ACCEPTANCE**Minutes of the January 12, 2023 Board of Mayor and Aldermen Regular Meeting**

RESULT:	ACCEPTED [UNANIMOUS]
MOVER:	David Reaves, Alderman
SECONDER:	Jack Young, Vice Mayor
AYES:	Brad King, Robert Griffin, David Reaves, Bobby Simmons, Jack Young, Kevin Quinn

CONSENT AGENDA

RESULT:	APPROVED [UNANIMOUS]
MOVER:	David Reaves, Alderman
SECONDER:	Jack Young, Vice Mayor
AYES:	Brad King, Robert Griffin, David Reaves, Bobby Simmons, Jack Young, Kevin Quinn

- 1 Special event permit for MRTC Winter Cross Country Series 8K. (Trey Arthur, Director of Code Enforcement)**
The event will be held on Sunday, February 12 from 2 p.m. to 4 p.m. at Nesbit Park.
- 2 Special event permit for Police Week 5K Fundraiser. (Trey Arthur, Director of Code Enforcement)**
The event will be held on Saturday, May 6 from 8 a.m. to 2 p.m. at Appling Lake First Responder Area.
- 3 Bid for concrete replacement project. (John Horne, Director of Engineering)**
Recommend accepting the lowest bid from Ferrell Paving Inc. in the amount of \$197,640.70, plus a contingency amount of \$10,000.00 for a total cost of \$207,640.70. The project is to replace all deficient concrete in the rights-of-way of neighborhoods slated for paving later this year. Funds are available in Accounts 121.48121.966, 121.48121.975, and 311.48311.780.456.
- 4 Bid for annual asphalt paving project. (John Horne, Director of Engineering)**
Recommend accepting the lower bids from the following contractors:
Citywide asphalt pavement - Standard Construction; asphalt picked up at plant - Standard Construction and Lehman-Roberts. Funds are available in Account 311.48311.780.456.

Minutes Acceptance: Minutes of Jan 24, 2023 6:00 PM (MINUTES ACCEPTANCE)

NEW BUSINESS**I Appoint and re-appoint members to City's Boards and Commissions. (David Parsons, Mayor)**

Bartlett Station Commission

Appoint Mallory Byrd. Her term will expire December 31, 2025. Appoint Alderman David Reaves. His term will expire December 31, 2026. Appoint Monique Williams. Her term will expire December 31, 2027.

Beer Board

Re-appoint Cordell Battles, Ryan Smith, and Deborah Williams. Their terms will expire December 31, 2024.

Board of Zoning Appeals

Appoint Alderman Brad King. His term will expire December 31, 2025.

BPACC Advisory Board

Re-appoint Sandy Dunn, Polly Schrimper, and Hank Winkler. Their terms will expire December 31, 2025.

City Beautiful Commission

Re-appoint Joni Bailey, Joe Bledsoe, Corinna Cole-Reeder, Kenneth Gilmer, Linda Howe, Mike Martin, Matt Meador, Tommie Jean Moore, Kenneth Parks, Laurie Rieman, Tom Rieman, Kathleen Robertson, Danny Thompson, Karen Winemiller. Their terms will expire December 31, 2023. Appoint Tom Winford. His term will expire December 31, 2023. Appoint Alderman Robert Griffin. His term will expire December 31, 2026.

Code Appeals Board

Re-appoint Brian Foshee and Marty Marbry. Their terms will expire December 31, 2024.

Contract Committee

Appoint Erin Campbell, Assistant Director of Engineering; Matt Crenshaw, Director of Public Works; John Horne, Director of Engineering; Brad King, Alderman; Steve Sones, Chief Administrative Officer; Jack Young, Vice Mayor.

Design Review Commission

Appoint Ed Brooks. His term will expire December 31, 2024. Re-appoint Stan Burton, Nick Taylor, Keith Whaley, and Vice Mayor Jack Young. Their terms will expire December 31, 2024.

Family Assistance Commission

Re-appoint Jason Sykes and Ken Twiss. Their terms will expire December 31, 2025. Appoint Alderman Brad King. His term will expire December 31, 2026.

Grievance Review Board

Appoint Mirian Bradley. Her term will expire December 31, 2023. Re-appoint Michael Goldberg, Jeremy Maser, Charlene Mitchell, Ted Rasbach, and Vice Mayor Jack Young. Their terms will expire December 31, 2023.

Historic Preservation Commission

Re-appoint Debbie Ferrell and Nikia Johnson. Their terms will expire December 31, 2027.

Industrial Development Board

Re-appoint Randy Allen, Wayne Ray, and Steven Scott. Their terms will expire January 25, 2027. Appoint Alderman Kevin Quinn. His term will expire December 31, 2024.

Parks and Recreation Advisory Board

Appoint Ken Demetriou. His term will expire December 31, 2024. Appoint Sharon Fryman and Randy Jowers. Their terms will expire December 31, 2023. Appoint Jason Matthews and Matt Meador. Their terms will expire December 31, 2025. Re-appoint Paul Ireland. His term will expire December 31, 2025. Appoint Alderman Robert Griffin. His term will expire December 31, 2026.

Pension Board (Defined Benefit Plan)

Re-appoint Danny Baxter and Craig Jones. Their terms will expire December 31, 2026. Appoint Lee Cain. His term will expire December 31, 2026.

The Retirement Plan Committee (Cash Balance Plan)

Re-appoint Danny Baxter and Craig Jones. Their terms will expire December 31, 2026. Appoint Lee Cain. His term will expire December 31, 2026.

Planning Commission

Appoint Mayor David Parsons. His term will expire December 31, 2025. Re-appoint Vice Mayor Jack Young. His term will expire December 31, 2024.

Storm Water Board of Appeals

Appoint Brad King. His term will expire December 31, 2026.

RESULT:	APPROVED [UNANIMOUS]
MOVER:	David Reaves, Alderman
SECONDER:	Jack Young, Vice Mayor
AYES:	Brad King, Robert Griffin, David Reaves, Bobby Simmons, Jack Young, Kevin Quinn

2 **Approval of Ad Hoc Christmas Parade Committee. (Steve Sones, Chief Administrative Officer)**

Chief Administrator Officer Steve Sones stated the ad hoc committee was being created to re-establish the Bartlett Christmas parade. The committee will consist of nine members. One member is an Alderman, appointed by the Mayor, who will serve as the chairman. One member will be the Director of Community Relations. One member will be the Chief of Police or his designee. One member will be the Director of Parks and Recreation or her designee. The remaining five members shall be Bartlett citizens appointed by the Mayor upon the recommendation of the appointed Alderman. All citizens serve without compensation. The committee will meet monthly.

Mayor Parsons appointed Alderman David Reaves as the chair of this committee.

Alderman Reaves shared his vision for the Christmas event. He is seeking community engagement and endorsement. He would like the committee membership to be diverse, creative, engaged, and passionate. He asked for citizens interested in being on the committee to contact him by phone or email. The committee plans to begin meeting in the later part of February and will meet monthly thereafter.

RESULT:	APPROVED [UNANIMOUS]
MOVER:	Jack Young, Vice Mayor
SECONDER:	David Reaves, Alderman
AYES:	Brad King, Robert Griffin, David Reaves, Bobby Simmons, Jack Young, Kevin Quinn

OPEN DISCUSSION

Melanie Busch, 3904 Wheelers Run Cove, expressed concerns regarding the property located at 7642 Highway 70 becoming a car wash. She also expressed her concerns at the Board of Zoning Appeals meeting on November 17, 2022. Variances on this property were denied at this meeting; however, she wanted the Board of Mayor and Aldermen to hear her objections.

ADJOURNMENT

Meeting adjourned at 6:30 PM

Harold Brad King, Register to the
Board of Mayor and Aldermen

David Parson, Mayor

Minutes Acceptance: Minutes of Jan 24, 2023 6:00 PM (MINUTES ACCEPTANCE)

**Board of Mayor and Aldermen**

6400 Stage Road
Bartlett, TN 38134

SCHEDULED**AGENDA ITEM**

Meeting: 02/14/23 06:00 PM
Department: Code Enforcement
Category: Special event permit
Prepared By: Valerie Brantley
Department Head: Trey Arthur

Special event permit for Running of the Rams 5K Walk/Run Fundraiser.



APPLICATION FOR SPECIAL EVENT
OFFICE OF
BARTLETT CODE ENFORCEMENT
 6382 STAGE ROAD
 BARTLETT TN 38134
 901-385-6425

Address 3573 Oak Road Zip Code 38135
 Dates of the Event May 12, 2023 Hours of the Event 5pm - 10pm
 Type of Event (Fund Raiser, Seasonal, Tent Sale, Sidewalk Sale, Public Attraction) 5K Run / Walk Fundraiser
 Property Owner BCL, Stephanie Beach, Principal
 Special Event Permit Applicant Oak Elementary PTO % Pam Viar, 3573 Oak Road
 Phone Number 901-373-2646 cell 901-277-4621 Address of Applicant 38135
 Fax Number 901-373-1415

Check all items that apply:

For information call (901) 385-6425.

- ☒ State of TN Business License, Shelby County Business License, Bartlett Business License (For Type 2 Events)
☒ Letter of Permission
☒ Insurance
☒ Tents (Fire Retardant letter included)
☒ Special Event Checklist
☒ Map
☒ Sign or Banner

\$60.00 Special Event Fee
 \$4.00 Permit Issuing Fee
 \$ 2% Credit Card Fee
 \$ Total Permit Fee

Responsible Person Pam Viar Date 1-12-2023

****Notify building department 10 days prior to Special Event to be held unless it is a Public Attraction which requires approval from the Board of Mayor & Aldermen.****

APPROVAL

This application is not a permit and grants no rights or privileges.

Special Event Checklist

Event: Running of the Rams 5K Walk/Run
 Location: Oak Elementary School
 Dates: Friday, May 12, 2023 5pm - 10pm
 Type of special event: (Check one.)

- | | |
|---|---|
| <p>☐ <i>Type 1: Noncommercial Events.</i> Fund-raising or non-commercial events held outside an enclosed permanent structure, including parades, advertised demonstrations, or events, including structures used in conjunction with the event.</p> <p>☐ <i>Type 2: Special Seasonal Events.</i> Farmers' market, Christmas tree sales, fruit, flower or vegetable sales, or sale of other seasonal products, when sold other than on the site where grown, constructed or assembled.</p> | <p>☐ <i>Type 3: Commercial Events.</i> Significant commercial events such as tent sales, sidewalk sales, trade shows, merchandise sales, product demonstrations or transient merchants.</p> <p>☒ <i>Type 4: Public Attractions.</i> Significant outdoor public events intended primarily for entertainment or amusement, such as carnivals, concerts, or festivals, including fireworks displays. Requires approval by the Board of Mayor and Aldermen.</p> |
|---|---|

Exempt events: (If any of these apply, the special event is exempt from the permit requirement.)

- | | |
|---|--|
| <p>☐ <i>Public property.</i> Any special event wholly on public streets and right-of-ways or other property of the City, excluding public parks, which special event is allowed specifically or generally by action of the Board of Mayor and Aldermen.</p> <p>☐ <i>Public parks.</i> Any special event held within a public park. (Although exempt from this Section, these types of special events shall be governed by other provisions of the Codified Ordinances regulating conduct in City parks and recreation areas.)</p> <p>☐ <i>City sponsorship.</i> Any special event sponsored or co-sponsored by the City. Such event shall, however, be in compliance with the performance standards in Section 27.F.</p> <p>☐ <i>Special use permit or site plan.</i> Any business already operating under a special use permit or site plan that authorizes the display and sale of outdoor goods or authorizes the operation of any special event as defined herein.</p> <p>☐ <i>Yard sales.</i> Yard sales regulated under Article VI, Section I of the Zoning Ordinance.</p> | <p>☐ <i>Auctions/estate sales.</i> Auctions/estate sale for individual property that is not considered a special event and is conducted by duly licensed auctioneers.</p> <p>☐ <i>Business deliveries.</i> Newspaper delivery or bona fide merchants who deliver goods in the regular course of business.</p> <p>☐ <i>Certain solicitations.</i> Solicitors for charitable, non-profit or religious organizations who go from dwelling to dwelling, business to business, street to street, taking or attempting to take orders for goods, wares and merchandise are exempt from these provisions, provided these organizations meet the Internal Revenue Service Criteria to qualify as a charitable, non-profit or religious organization.</p> <p>☐ <i>First Amendment activity.</i> The dispensing of religious pamphlets or other literature which is protected by the United States Constitution under Freedom of Speech, Religion or Press.</p> <p>☐ <i>Political campaigning.</i> Campaigning for public office.</p> |
|---|--|

Performance standards:

	Sub- mitted ✓ or X	OK	N/A		Comments
1	✓			<i>Location.</i> Special events that do not require the use of public right-of-way shall be conducted on private property in a commercial or industrial zoning district , except that non-profit organizations may conduct special events on any property where the owner has granted permission.	
2	✓			For all special events that require the use of public right-of-way, the permit granted shall clearly specify the streets to be used for the event and the time that the streets will be closed, if applicable.	
3			✓	Type 3 outdoor sales must be conducted by an existing permanent business adjacent to and on the property of the location of the permanent business. The outdoor sales are to be conducted as an adjunct to the existing permanent business.	
4		✓		<i>Land-use compatibility.</i> The special event shall be compatible with the purpose and intent of this Section and with adjacent land uses.	
5		✓		The special event shall not impair the normal, safe and effective operation of a permanent use on the same site.	
6		✓		The special event shall not endanger or be detrimental to the public health, safety or welfare or injurious to property or improvements in the immediate vicinity of the special event, given the nature of the activity, its location on the site and its relationship to parking and access points.	
7		✓		<i>Compliance with other regulations.</i> All structures shall meet all applicable provisions of the Building Code.	
8		✓		Any temporary structure shall be promptly removed upon the cessation of the event. Within forty-eight (48) hours of cessation of the event, the site shall be returned to its previous condition, including the removal of all litter, signage, attention-attracting devices or other evidence of the special event. If the site is not returned to its previous condition, the City may restore the site at the event coordinator's expense.	

	Sub- mitted ✓ or X	OK	N/A		Comments										
9	✓			<i>Hours of operation and duration.</i> The duration and hours of operation of a special event shall be consistent with the surrounding land uses. The total duration of a special event shall not exceed the duration set forth in Table VI.27-1; however, the duration of the special event may be modified by conditions attached to the issuance of the special event permit, as set forth in Section 27.F. Table V.27-1: Special Event Maximum Duration <table><tr><th>Type of Special Event</th><th>Duration</th></tr><tr><td>Type 1: Noncommercial</td><td>30 days</td></tr><tr><td>Type 2: Special Seasonal</td><td>90 days</td></tr><tr><td>Type 3: Commercial</td><td>14 days</td></tr><tr><td>Type 4: Public Attractions</td><td>14 days</td></tr></table>	Type of Special Event	Duration	Type 1: Noncommercial	30 days	Type 2: Special Seasonal	90 days	Type 3: Commercial	14 days	Type 4: Public Attractions	14 days	Friday May 12 5pm-10pm
Type of Special Event	Duration														
Type 1: Noncommercial	30 days														
Type 2: Special Seasonal	90 days														
Type 3: Commercial	14 days														
Type 4: Public Attractions	14 days														
10			✓	In addition to the maximum duration as set forth in Table VI.27-1, a shopping center may hold centralized special events, not connected to individual businesses within the shopping center, which do not exceed sixty (60) days in a calendar year. The duration of all special events in a shopping center may be extended on a case by case basis if the special event(s) take place in shopping center parking areas not required for the primary businesses.											
11			✓	<i>Frequency.</i> Except as otherwise provided herein, the maximum frequency of a special event on the same property shall be two (2) times per calendar year, excluding a shopping center. A shopping center shall be allowed to hold four (4) centralized events not connected to any individual business located within the center in addition to those events held by the individual businesses located within the shopping center.											

	Sub- mitted ✓ or X	OK	N/A		Comments
12			✓	Type 3 outdoor sales at a specific location may be permitted only as follows: a. Outdoor sales may be permitted once in each calendar month if the duration is not more than three (3) days. b. Outdoor sales may be permitted once in each calendar quarter if the duration is more than three (3) days but not more than ten (10) days. c. The minimum time between consecutive outdoor sales periods for the same business on the same property shall be fourteen (14) days from the beginning of one period to the beginning of the next period. Permitted durations are not cumulative in any time period, that is, the time periods in both "a" and "b" may not be added together.	
13		✓		<i>Traffic circulation.</i> The special event shall not cause undue traffic congestion or accident potential, given anticipated attendance and the design of adjacent streets, intersections, parking and traffic controls. All sidewalks shall be left open for pedestrian traffic unless special approval is received for blockage. No alleys, driveways, fire lanes or other access points shall be blocked by the special event unless specific approval is granted for the special event.	
14			✓	<i>Street closings.</i> The special event permit recipients shall be responsible for securing, installing and immediate removal upon cessation all barricades and signs when street closings are approved. Large Class III barricades shall be sandbagged to prevent blowing over.	

	Sub- mitted ✓ or X	OK	N/A		Comments
15		✓		<i>Fire safety.</i> The fire department shall be consulted for the following requirements and inspection, as necessary. a. Fire lanes a minimum of 20 feet in width and 12 feet in height or as otherwise approved by the Fire Chief must be provided in order to allow Fire Department access within 150 feet of all structures and on at least two sides of all two-story structures within 500 feet of the location of the special event. b. All fire hydrants in the area of the special event must be left with five (5) feet of clearance on all sides and shall be accessible from the fire lanes that are designated with the event. c. No open fires shall be permitted unless advance approval is obtained from the Fire Department. d. Fire extinguishers shall be available as determined by the Fire Chief. e. Temporary electrical wiring for the special event shall be installed in accordance with the requirements of the National Electrical Code. f. Tents shall comply with the Fire Code and applicable building codes. g. Exit signs and proper exiting aisles shall be provided in temporary special event structures.	
16		✓		<i>Off-street parking.</i> The event shall not create a parking shortage for any other use. All off-street parking surfaces used for the special event shall be concrete or asphalt.	
17	✓			<i>Public conveniences and litter control.</i> Adequate on-site rest room facilities and solid waste containers shall be provided. The applicant shall calculate the demand for such facilities and specify how the need will be addressed.	Porta Potties See enclosed Site map
18	✓			<i>Nuisances.</i> The special event shall not generate excessive noise, dust, smoke, glare, spillover lighting or other forms of environmental or visual pollution.	Stage with music - see Site map

	Sub- mitted ✓ or X	OK	N/A		Comments
19		✓		<i>Area of parking lot dedicated to outdoor special events.</i> a. No more than ten (10) percent of the parking stalls required for the structure associated with the parking lot in which the special event occurs shall be permitted to be used for a special event. Regardless of how many stalls are occupied by the special event, no special event that occurs in the parking lot for a permanent structure may cause a parking shortage for primary and accessory uses associated with that structure. b. No spikes, nails, anchors or other devices shall be driven into any public street, sidewalk or parking lot surface or into any existing concrete or asphalt. Such devices may be used on private parking lots provided any damage resulting therefrom shall be fixed upon cessation of the event and removal of the devices.	
20	✓			<i>City services.</i> If the applicant requests the City to provide services or equipment, including but not limited to traffic control or security personnel, or if the City otherwise determines that services or equipment are required to protect the public health, safety, or general welfare, the applicant shall be required to reimburse the City for the cost of the services. The City may require the applicant to submit a security deposit, in an amount determined by the Chief Administrative Officer and in the form approved by the City Attorney, prior to the event to ensure that the applicant complies with this provision.	BPD will be closing part of Oak Rd in sections due to 5K runners. See map
21	✓			<i>Insurance coverage.</i> Special event permit recipients must show proof of liability insurance at time of application. If the special event will take place on public property, said certificate of insurance shall name the City as an additional insured party in an amount determined by the Chief Administrative Officer based on the nature of the special event.	copy enclosed

Conditions

Conditions deemed necessary to ensure compatibility with adjacent land-uses and to minimize potential adverse impacts on nearby uses:

	Required ✓ or X	N/A		Comments
22	✓		Limitations on signs.	
23	✓		Temporary arrangements for parking and traffic circulation.	
24	✓		Requirements for screening/buffering and guarantees for site restoration and cleanup following the special event.	
25	✓		Modifications or restrictions on the hours of operation, duration of the event, size of the event or other operational characteristics.	
26		✓	The posting of security in an amount required by the Permitting Official to help ensure that the operation of the event and the subsequent restoration of the site are conducted according to required special event standards and conditions of approval.	
27	✓		The provision of traffic control or security personnel to ensure the public safety and convenience.	
28	✓		Execution of a "Special event agreement" in a form acceptable to the City Attorney to ensure the indemnification of the City and that public property will be protected and/or restored to its condition prior to the special event.	

Special event permit application, content and submission requirements

A complete application shall be submitted to the Permitting Official at least **ten (10) days** prior to the requested start date of any special event.

The application shall set forth and contain the following information:

	Sub- mitted ✓ or X	OK	N/A		Comments
29	✓			Name and address of the applicant.	
30	✓			Names and address of the owner of the premises on which the proposed event is to be held.	
31	✓			Written approval from the property owner agreeing to the proposed event, if the applicant is not the same as the property owner.	
32	✓			Description of the site on which the proposed event is to be held.	
33	✓			Date of the proposed event.	
34	✓			A narrative written description of the proposed event, the hours of operation, anticipated attendance, and any buildings/ structures, signs or attention-attracting devices proposed to be used in conjunction with the event, as well as a statement that the standards set forth in this Section have been satisfied. The narrative written description shall also state what public streets, if any, are requested to be used for the special event.	
35	✓			A site plan in the form and the level of detail as required by the Permitting Official, showing the location of all existing or proposed uses, structures, parking areas, outdoor display areas, signs, streets, and property lines.	
36	✓			Location and number of proposed temporary public toilets.	
37		✓		Proposed temporary potable water supplies, which shall be subject to approval by the Director of Code Enforcement, pursuant to applicable authority of the City.	
38		✓		Any other information deemed necessary by the Permitting Official to ensure compliance with the standards set forth in this Section.	

Special event permit - authorization by Permitting Official

Type 1, 2 and 3 special events (as defined in part B) may be issued a special event permit by the Permitting Official on the form provided by the City when all of the following conditions have been satisfied and continue to be met throughout the special event:

	OK ✓ or X	N/A		Comments
39			A complete application is made on the form provided by the City and a fee paid in accordance with City ordinances.	
40			The application has been reviewed and approved in writing by the Code Enforcement, Fire, Police, and Public Works Departments for traffic control and other safety concerns.	
41			An electrical plan, if required for the special event, is approved by the Director of Code Enforcement.	
42			The Permitting Official determines the following: a. The special event will comply with the special event performance standards...;	
43			b. The special event will not endanger the public health, safety, or general welfare given the nature of the activity, its location on the site, and its relationship to parking and access points;	
44			c. The special event will not impair the usefulness, enjoyment or value of adjacent property due to the generation of excessive noise, smoke, odor, glare, litter, or visual pollution;	
45			d. The special event shall comply with all applicable state and federal health, safety, environmental and other applicable requirements.	

Valerie Brantley

From: Pam Viar <p.viar@comcast.net>
Sent: Tuesday, January 24, 2023 8:42 AM
To: Valerie Brantley
Subject: [External]Fwd: Re: [External]Running of the Rams 5k

WARNING

This email originated from outside of The City of Bartlett. Do not click links or open attachments unless you recognize the sender and know that the content is safe.

----- Original Message -----

From: Jeff Cox <jcox@bartlettspolice.org>
 To: Pam Viar <p.viar@comcast.net>
 Cc: Laurie Thompson <lthompson@bartlettspolice.org>, Robert Allen <rallen@bartlettspolice.org>
 Date: 01/14/2023 6:13 PM
 Subject: Re: [External]Running of the Rams 5k

Looks good to me i will be forwarding the route to the traffic unit to make preparations.

Jeff Cox
 Chief of Police
 Bartlett Police Department
[901-385-5560](tel:901-385-5560)
WWW.cityofbartlett.org
Jcox@bartlettspolice.org

On Jan 14, 2023, at 12:07 PM, Pam Viar <p.viar@comcast.net> wrote:

WARNING

This email originated from outside of The City of Bartlett. Do not click links or open attachments unless you recognize the sender and know that the content is safe.

Attached is a map of our school's Running of the Rams 5krun/walk that I would like to have approved for Friday, May 12, 2023 with a start time of 6:30pm. It will start on Oak Road beside the school and finish off of Oak Road in the Oak Elementary side parking lot. I would appreciate your approval so that I may submit my application to Code Enforcement. Please let me know if you need additional information.

Sincerely, Pam Viar
 Race Director

<Race Map.jpg>

BFD ambulance for 5k

To p.viar@comcast.net <p.viar@comcast.net>

Mrs. Viar,

The BFD will be happy to provide an ambulance on standby at the Running of the Rams 5k. We will have them on site at the school prior to the start and for the duration. Please let me know if there are any other needs that the BFD can assist with.

Cmdr. Justin McNeely
EMS Coordinator
City of Bartlett Fire Dept. EMS Division
2939 Altruria Rd.
Bartlett, TN 38134
901-385-5536 office
901-734-7406 cell

Attachment: 3573 OAK RD-5K RUN-WALK FUNDRAISER-2023 (3267 : Running of the Rams 5K Walk/Run)



Attachment: 3573 OAK RD-5K RUN-WALK FUNDRAISER-2023 (3267 : Running of the Rams 5K Walk/Run)



Oak Elementary PTO
3573 Oak Road
Bartlett, Tennessee 38135

January 14, 2023

Re: Property Approval for
9th Annual Running of the Rams 5k

To Whom It May Concern:

I grant my permission for Oak Elementary PTO to host the 10th Annual Running of the Rams 5k event on the property of Oak Elementary School located at 3573 Oak Road in Bartlett, TN on May 12, 2022 from 4:00 pm - 10:00 pm.

Sincerely,

A blue ink handwritten signature, appearing to read 'Stephanie Beach', with a long horizontal line extending to the right.

Stephanie Beach
Principal



ASSOCIATION INSURANCE MANAGEMENT INC

MEMBER CERTIFICATE OF INSURANCE

1/17/23

Thank you for purchasing your insurance from AIM. This is your Member Certificate and should be kept with your permanent records.

Insured #: TN152012

NAMED INSURED MEMBER:

Oak Elementary PTO
Attn: Angie Pearce or Current Officer
3573 Oak Rd
Bartlett, TN 38135

Named Insured & Mailing Address

Education Support Purchasing Group
c/o AIM
P.O. Box 674051
Dallas TX, 75267-4051

PRODUCER NAME

AIM Association Insurance
Management, Inc.
PO Box 674051
Dallas TX, 75267-4051

Company / Coverage	Policy #	Effective Dates	Deductible	Limits of Insurance	
Concert Specialty Insurance Company / Commercial General Liability	GL2022AIM05942	10/1/22 - 10/1/23	\$ 0	Each Occurrence	\$1,000,000
				General Aggregate	\$2,000,000
				Products - COMP/OPS	\$2,000,000
				Personal & Advertising Injury	\$1,000,000
				Fire Damage (any one fire)	\$50,000
Concert Specialty Insurance Company / Extended Medical Payments	GL2022AIM05942	10/1/22 - 10/1/23	\$ 0	Medical payments-any one person	\$25,000
Concert Specialty Insurance Company / Professional Liability (Directors & Officers Liability)	DO2022AIM05109	10/1/22 - 10/1/23	\$ 0	Aggregate	\$1,000,000
	Retro-active Effective Date:	10/1/17			
Concert Specialty Insurance Company / Fidelity Bond (Crime)	CR2022AIM04486	10/1/22 - 10/1/23	\$ 250	Each Occurrence	\$50,000
Concert Specialty Insurance Company / Inland Marine (Business Personal Property)	IM2022AIM00921	10/1/22 - 10/1/23	\$ 250	Each Occurrence	\$10,000

Memphis Runners Track Club is added as an Additional Insured to the General liability policy only.

Event: Running of the Rams 5K

Date: May 12, 2023 4-10PM

Certificate Holder:

Memphis Runners Track Club
PO Box 17981
Memphis, TN 38187

This member certificate, together with the common policy conditions, coverage part(s), coverage form(s), and endorsements, if any, complete the above numbered policy. Copies of the Master Policies are available upon request or may be printed at www.aim-companies.com

AUTHORIZED REPRESENTATIVE

Attachment: 3573 OAK RD-5K RUN-WALK FUNDRAISER-2023 (3267 : Running of the Rams 5K Walk/Run)

**Board of Mayor and Aldermen**

6400 Stage Road
Bartlett, TN 38134

SCHEDULED**AGENDA ITEM**

Meeting: 02/14/23 06:00 PM

Department: Parks and Recreation

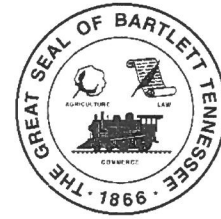
Category: Purchase

Prepared By: Debbie Christopher

Department Head: Shan Criswell

Purchase of performance dance floor for Singleton Community Center.

Memo



To: Shan Criswell, Paul Wright
From: Cassi Montoya
CC:
Date: January 26, 2023
Re: Singleton Community Center - Dance 1 Floor

Good Afternoon,

As you are aware, the floor in Dance 1 has developed some areas that have warped and have created a safety hazard for program participants. Due to the age of the floor, it has been determined that it is unable to be refinished or effectively repaired.

With that being said, I would like to recommend a complete replacement of the floor with a performance dance floor – Connor Sports ProForma I. I have met with Code Enforcement and they anticipate the floor joists being in acceptable condition for this project.

This project would be completed by Sports Floors, Inc. whom is covered under the Sourcewell agreement held by Connor Floors.

I have attached the following for your reference:

- Sports Floors Proposal
- Sourcewell Agreement
- ProForma 1 Floor Specifications

The funds for this project would come from the Capital Account: 311.48311.780.51722.

In order to proceed with this project, Sports Floors needs the Proposal to be signed and a PO issued.

Please let me know if you need any further information.

Thank you,

Cassi Montoya
 Facility Manager
 Singleton Community Center



SPORTS FLOORS INC.

A W O M A N O W N E D C O M P A N Y

NOVEMBER 29, 2022

TN CONTRACTORS LICENSE #: 77087

TO: CASSI MONTOYA

BUILDING: SINGLETON COMMUNITY CENTER
LOCATION: BARTLETT, TN

WE PROPOSE TO FURNISH MATERIALS AND LABOR FOR THE ABOVE MENTIONED BUILDING AS FOLLOWS:

PERFORMANCE/DANCE FLOORING – DANCE ROOM (APPROX. 792 SQ. FT.)

- TEAR OUT & DISPOSE OF EXISTING WOOD FLOOR
- INSTALL "CONNOR SPORTS PROFORMA I" DANCE FLOOR SYSTEM
 - 3 MM VINYL SURFACE FLOORING W/ FULL ADHESIVE
 - DOUBLE LAYER SUBFLOOR PANELS W/ RESILIENT CUSHIONING
 - 6 MIL POLY VAPOR BARRIER
- VENTED COVE BASE AT PERIMETER WALLS
- T-CAP & TRACK AT ENTRYWAYS

PRICE: \$33,865.08*

* DOES NOT INCLUDE WORK OR REPAIRS TO EXISTING FLOOR JOISTS.

UNDER NO CIRCUMSTANCES SHOULD TAPE BE USED ON A WOOD FLOOR!!!

TERMS & CONDITIONS (REVISED 1/2021)

CONTRACTOR'S SCOPE OF WORK AND CONTRACT PRICE SPECIFICALLY **EXCLUDES** BUT IS NOT LIMITED TO: PLACEMENT OF CONCRETE SUBSTRATE INTO TOLERANCE PER MANUFACTURER'S SPECIFICATIONS; PATCHING OR LEVELING; ANY ADDITIONAL GAME LINES, LETTERING, LOGOS, OR COURT MARKINGS, NOT LISTED ABOVE OR CUSTOM PAINT COLORS/STAINS; VECTOR AND FONT FILES REQUIRED FOR ALL GRAPHICS ELEMENTS; FURNISHING OR INSTALLING VOLLEYBALL EQUIPMENT INCLUDING FLOOR SLEEVES AND COVER PLATES; FURNISHING ELECTRICAL SERVICE FOR POWERED EQUIPMENT OR INSTALLATION OF ELECTRICAL FLOOR BOXES OR COVER PLATES; THRESHOLDS, OR TRANSITIONS; STAGE TRIM, NOSING, STAIR TREADS, RISERS, FASCIA OR WOOD BASE; HANDLING OF BLEACHERS, FURNITURE OR EQUIPMENT; DUST PROTECTION ABOVE 4' FROM FLOOR LEVEL; HANDLING OR ADJUSTING BACKSTOPS OR GOALS; ANY PROTECTION OR CLEANING OF FINISHED WORK OF OTHERS; TAXES NOT SET FORTH ABOVE.

1. **TERMS OF PAYMENT:** FOR ALL SERVICES AND WORK PERFORMED BY CONTRACTOR, OWNER WILL PAY CONTRACTOR THE CONTRACT PRICE SPELLED OUT ABOVE ("PRICE"). THE CONTRACT PRICE IS VALID ONLY FOR 7 DAYS AND SHALL EXPIRE UNLESS OWNER EXECUTES AND RETURNS THIS PROPOSAL WITHIN THE TIME FRAME. CONTRACTOR WILL SUBMIT TO OWNER, AN INVOICE FOR PAYMENT SHOWING THE PERCENTAGE OF COMPLETION OF VARIOUS PORTIONS OF THE WORK AS BROKEN DOWN BY CONTRACTOR AND PRESENTED TO OWNER. MOST PROJECTS WILL BE INVOICED INCREMENTALLY (60%, 35% & 5%) WITH SMALLER PROJECTS HAVING ONE INITIAL TOTAL INVOICE. OWNER WILL PAY CONTRACTOR UPON RECEIPT OF INVOICE. SOME PROJECTS MAY REQUIRE OWNER TO ISSUE CHECKS TO MULTIPLE VENDORS. AT NO POINT WILL THE TOTAL OF THESE CHECKS EXCEED THE CONTRACT AMOUNT, NOR WILL THEY DECREASE THE CONTRACT AMOUNT.
2. **FINAL PAYMENT:** THE FINAL PAYMENT WILL BE DUE UPON RECEIPT OF AN INVOICE ONCE SUBSTANTIAL COMPLETION OF THE PROJECT HAS BEEN ACHIEVED. IF CORRECTIVE OR REPAIR WORK OF A MINOR NATURE REMAINS TO BE ACCOMPLISHED BY CONTRACTOR AND AFTER THE PROJECT IS READY FOR USE OR OCCUPANCY, CONTRACTOR WILL PERFORM SUCH WORK EXPEDITIOUSLY AND OWNER WILL NOT WITHHOLD PAYMENT PENDING THE COMPLETION OF SUCH PUNCHLIST WORK. **BACK CHARGES OR DEDUCTIONS FROM FINAL PAYMENT OF THE CONTRACT PRICE AND/OR AGAINST CONTRACTOR'S ACCOUNT FOR SERVICES RENDERED BY OTHERS SHALL NOT BE ACCEPTED BY CONTRACTOR WITHOUT PRIOR WRITTEN AUTHORIZATION FROM CONTRACTOR FOR SUCH SERVICES.**
3. **EXTRA WORK:** SHOULD OWNER DIRECT ANY DELETION, MODIFICATION, OR ADDITION TO THE WORK COVERED BY THIS CONTRACT, THE COST SHALL BE ADDED TO OR DEDUCTED FROM THE CONTRACT PRICE. PAYMENTS FOR EXTRA WORK WILL BE MADE AS EXTRA WORK PROGRESSES, CONCURRENTLY WITH PROGRESS PAYMENTS. ORDERS FOR EXTRA WORK SHALL BE MADE IN WRITING BY OWNER, WITH THE PRICE AGREED TO BY CONTRACTOR IN ADVANCE. CONTRACTOR SHALL BE ENTITLED TO BE PAID FOR ANY AND ALL EXTRA WORK DIRECTED BY OWNER OR OWNER'S AGENTS, WHETHER THE EXTRA WORK ORDER IS REDUCED TO WRITING OR NOT. EXTRA WORK INCLUDES THE SITE NOT BEING READY WHEN SCHEDULED AND ITEMS NOT COMPLETED BY OWNER PRIOR TO ARRIVAL.
4. **DEFAULT:** IF OWNER SHOULD DEFAULT IN ANY OF ITS OBLIGATIONS UNDER THIS CONTRACT, CONTRACTOR MAY RECOVER, AS DAMAGES, EITHER THE REASONABLE VALUE OF THE WORK PERFORMED BY CONTRACTOR PLUS ALL EARNED AND UNEARNED FEES AND/OR PROFIT, OR THE BALANCE OF THE CONTRACT PRICE PLUS ANY OTHER DAMAGES SUSTAINED AS A RESULT OF OWNER'S DEFAULT, INCLUDING, BUT NOT LIMITED TO ATTORNEY'S FEES, LITIGATION COSTS AND ALL COSTS INCURRED AS A RESULT OF HAVING TO TAKE ACTION TO COLLECT THIS ACCOUNT. IF A MULTI-YEAR SERVICE CONTRACT IS FOR ANY REASON CANCELED, THE OWNER WILL BE INVOICED THE DIFFERENCE BETWEEN THE DISCOUNTED MULTI-YEAR RATE AND THE ONE-YEAR RATE FOR EACH YEAR WORK WAS PERFORMED.
5. **CONCEALED, HIDDEN AND DIFFERING SITE CONDITIONS:** IF CONTRACTOR SHOULD ENCOUNTER CONCEALED OR HIDDEN CONDITIONS OR DIFFERING SITE CONDITIONS THAT WERE NOT REASONABLY ANTICIPATED BY CONTRACTOR, CONTRACTOR WILL PROMPTLY CALL SUCH CONDITIONS TO THE ATTENTION OF OWNER, AND THE CONTRACT PRICE SHALL BE ACCORDINGLY ADJUSTED FOR SUCH EXTRA WORK AS NECESSARY.
6. **GENERAL CONDITIONS:** SPORTS FLOORS, INC. MAINTAINS THE RIGHTS TO USE PHOTOGRAPHS, PLANS AND RENDERINGS OF THIS PROJECT IN ITS MARKETING MATERIALS. AS PART OF OUR QUALITY CONTROL PROGRAM, ACCESS TO THE FACILITY'S WIRELESS INTERNET SYSTEM MAY BE REQUESTED TO MONITOR THE PROGRESS AND PERFORMANCE OF THE FLOORS SYSTEMS. MONITORING DEVICES MAY BE INSTALLED FOR PERIODIC MEASUREMENT AND OBSERVATION WHICH MAY REQUIRE A WIRELESS INTERNET CONNECTION. FACILITY SHALL PROVIDE ANY PASSWORD OR SECURITY KEY REQUIRED. SPORTS FLOORS, INC. MAY PLACE A SMALL INFORMATIONAL DECAL CONTAINING CARE & MAINTENANCE INSTRUCTIONS IN A DISCRETE LOCATION.
7. **WARRANTY RESTRICTIONS:** IN ORDER FOR WARRANTY TO REMAIN IN FULL EFFECT, REASONABLE CARE AND CONDITIONS WITHIN THE FLOOR AND ITS FACILITY MUST BE PROPERLY MAINTAINED. THIS INCLUDES, WITHOUT LIMITATION, FOLLOWING MFMA (MAPLE FLOORING MANUFACTURER'S ASSOCIATION) AND SPORTS FLOORS, INC. & MANUFACTURER'S GUIDELINES AS FOLLOWS. **NOT FOLLOWING THESE GUIDELINES WILL VOID WARRANTY.** SWEEP THE FLOOR DAILY WITH A PROPERLY TREATED DUST MOP TO KEEP IT FREE FROM DUST, GRIT, AND ABRASIVE PARTICLES. THE OWNER MUST USE PRODUCTS RECOMMENDED BY SPORTS FLOORS, INC. USE OF ANY OTHER CHEMICALS WILL VOID THE WARRANTY. THE HEATING/VENTILATING/AIR CONDITION SYSTEM MUST BE FUNCTIONING PROPERLY AND SET TO MAINTAIN INDOOR RELATIVE HUMIDITY OF 35-50%. NEVER SHUT DOWN THE VENTILATION SYSTEM IN YOUR FACILITY FOR A PERIOD OF TIME LONGER THAN 24 HOURS. CHECK EXPANSION ROWS REGULARLY FOR EXPANSION AND CONTRACTION AND REPORT EXCESSIVE SHRINKAGE OR TIGHTENING TO CONTRACTOR. IF YOU NOTICE JOINT SEPARATION, REPORT TO CONTRACTOR IMMEDIATELY. KEEP WATER OFF THE FLOOR SURFACE, ESPECIALLY DURING INCLEMENT WEATHER AND AT EXTERIOR DOORWAYS. **NEVER CLEAN YOUR FLOOR USING DAMP MOPPING, SCRUBBING MACHINERY OR POWER SCRUBBERS, ESPECIALLY ONES THAT USE WATER.** ALWAYS PROTECT THE FLOOR. SPILLS AND ANY MOISTURE ON THE FLOOR MUST BE REMOVED IMMEDIATELY. REMOVE SCUFF MARKS WITH AN APPROVED FLOOR CLEANER COMPATIBLE WITH THE FLOOR FINISH. USE A NON-ABRASIVE SOFT CLOTH OR A DUST MOP. CONTACT YOUR CONTRACTOR FOR APPROVED CLEANING PRODUCTS. **USAGE OF TAPE OF ANY KIND IS NOT PERMITTED!** A LIGHT-COLORED TEMPERA PAINT MAY BE APPLIED AND WASHED OFF WITHIN A REASONABLE AMOUNT OF TIME WITH WATER, BEFORE ANY ROLLING LOADS (BLEACHERS, STAGES, LIFTS, ETC.) ARE ON THE FLOOR. CHECK WITH CONTRACTOR FOR PERFORMANCE AND SAFETY ISSUES. A MINIMUM OF 3/4" CDX PLYWOOD MUST BE LAID ON FLOOR FIRST AS UNPROTECTED BOARDS MAY CRACK. **YOU MUST CHECK WITH CONTRACTOR AS ROLLING LOADS AND BLOCKING VARY BY FLOOR.** ANY WORK PERFORMED ON FLOOR BY COMPANIES OTHER THAN SPORTS FLOORS, INC. SHALL VOID WARRANTY IMMEDIATELY. *WE WILL NOT BE HELD RESPONSIBLE FOR MOISTURE MIGRATION OR MOISTURE-RELATED PROBLEMS.*

SPORTS FLOORS, INC.

ACCEPTED: _____

BY: Paulette S. Heney

TITLE: _____

TITLE: PRESIDENT

DATE: _____

DATE: 11/29/2022
WWW.SPORTSFLOORSINC.COM

901-452-9492 OFFICE 901-452-9250 FAX 800-881-6440 TOLL FREE



November 14, 2022

To Whom It May Concern:

This letter is to confirm that **Sports Floors, Inc.** from Memphis, TN is an authorized dealer with Connor Sport Court International, and has been trained on the requirements of, and meets the pricing criteria for, the Sourcewell agreement (#031022-GER) between Connor Sports and Sourcewell.

Your representative from Sports Floors, Inc. should be able to answer any questions you have, but please let me know if you have any additional questions or concerns.

Best regards,

Joel McCausland
Director, Training and Sales Support
801-401-3501
jmccausland@connorsportcourt.com

Attachment: SingCC - Dance 1 Floor (3268 : Singleton Dance Floor)



CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)
2/14/2023

5.2.b

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER McDaniel-Whitley, Inc. P.O. Box 382007 Memphis TN 38183-2007		CONTACT NAME: Gail Morris PHONE (A/C, No, Ext): (901)881-6464 FAX (A/C, No): (901)881-6467 E-MAIL ADDRESS: gmmorris@mcwins.com	
INSURED The Davis Robinson Group, Inc., DBA Sports Floors 6651 Reese Rd. Memphis TN 38133		INSURER(S) AFFORDING COVERAGE INSURER A: Acuity INSURER B: Bridgefield Employers Insurance Co INSURER C: Homeland Insurance Company of New York INSURER D: INSURER E: INSURER F:	
		NAIC # 14184 10701 34452	

COVERAGES

CERTIFICATE NUMBER:

REVISION NUMBER:

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL INSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	☒ COMMERCIAL GENERAL LIABILITY			ZM2908	3/6/2022	3/6/2023	EACH OCCURRENCE \$ 2,000,000
	☐ CLAIMS-MADE ☒ OCCUR						DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 300,000
	☒ Contractual Liability						MED EXP (Any one person) \$ 10,000
	GEN'L AGGREGATE LIMIT APPLIES PER:						PERSONAL & ADV INJURY \$ 2,000,000
	☐ POLICY ☒ PRO-JECT ☐ LOC						GENERAL AGGREGATE \$ 4,000,000
	OTHER:						PRODUCTS - COMP/OP AGG \$ 4,000,000
A	AUTOMOBILE LIABILITY			ZM2908	3/6/2022	3/6/2023	Employee Benefits \$
	☒ ANY AUTO						COMBINED SINGLE LIMIT (Ea accident) \$ 1,000,000
	☐ ALL OWNED AUTOS	☐ SCHEDULED AUTOS					BODILY INJURY (Per person) \$
	☒ HIRED AUTOS	☒ NON-OWNED AUTOS					BODILY INJURY (Per accident) \$
A	☒ UMBRELLA LIAB	☒ OCCUR		ZM2908	3/6/2022	3/6/2023	PROPERTY DAMAGE (Per accident) \$
	☐ EXCESS LIAB	☐ CLAIMS-MADE					Uninsured motorist combined single \$ 1,000,000
	☐ DED ☒ RETENTION \$ 10,000						EACH OCCURRENCE \$ 5,000,000
							AGGREGATE \$ 5,000,000
B	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY			0830-57092	3/6/2022	3/6/2023	
	ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH)	Y / N					☒ PER STATUTE ☒ OTH-ER
	If yes, describe under DESCRIPTION OF OPERATIONS below	☒ N	N/A				E.L. EACH ACCIDENT \$ 1,000,000
							E.L. DISEASE - EA EMPLOYEE \$ 1,000,000
A	Inland Marine			ZM2908	3/6/2022	3/6/2023	E.L. DISEASE - POLICY LIMIT \$ 1,000,000
	Pollution Liability			793-01-21-16-0000	8/23/2022	8/23/2023	Installation Floater-\$1,000 Ded. 100,000 Each Pollution Condition-\$5,000 Ded \$2,000,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)

RE: Singleton Community Center

CERTIFICATE HOLDER

CANCELLATION

City of Bartlett
7266 Third Road
Bartlett, TN 38135

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

AUTHORIZED REPRESENTATIVE

McKenzie Hill/MORRG

McKenzie Hill

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**Board of Mayor and Aldermen**

6400 Stage Road
Bartlett, TN 38134

SCHEDULED**AGENDA ITEM**

Meeting: 02/14/23 06:00 PM

Department: Finance

Category: Report

Prepared By: Eric Phan

Department Head: Dick Phebus

Treasurer's Report for December 2022.



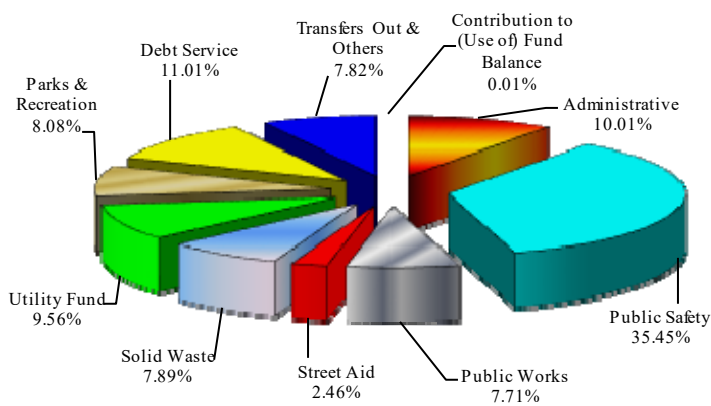
City of Bartlett

FINANCIAL REPORT

December 31, 2022

Total Expenditures, FY 2023 Budget: \$92,054,808

**WHERE THE \$ GOES
(Does not include School)**

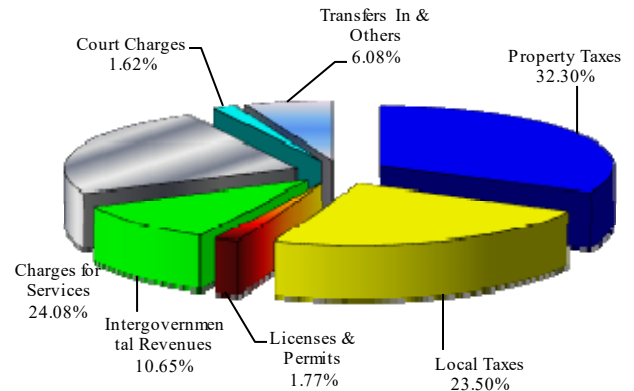


BUDGET HIGHLIGHTS

- June 30, 2022 year-to-date actual is unaudited.
- Information in this report is preliminary Fiscal Year 2022 year-end.
- Property tax bills were mailed in November and are due February 28.
- Delinquent 2021 property taxes were submitted to the Trustee for collection.

Total Revenues, FY 2023 Budget: \$92,054,808

**WHERE THE \$ COMES FROM
(Does not include School)**



**FY 2023 YEAR-TO-DATE
For The Period Ending December 31, 2022**

	Adopted Budget	Year-to-Date Actual
General Fund Expenditures		
Administrative	\$ 8,505,009	\$ 3,100,271
Public Safety	32,193,764	16,274,368
Public Works	6,967,139	3,338,208
Parks and Recreation	6,661,221	3,585,922
Performing Arts	777,765	366,188
Transfers & Other Gen. Fund Items	6,389,019	5,901,019
Subtotal	\$ 61,493,917	\$ 32,565,975
General Fund Revenues		
Property Taxes	\$ 29,731,000	\$ 16,887,004
Local Taxes	17,178,430	5,618,694
Building and Development Fees	1,626,200	785,756
Intergovernmental	7,654,000	2,532,965
Charges for Services	3,745,960	2,066,735
Court Charges	1,258,000	661,878
Other Revenue	300,327	222,499
Subtotal	\$ 61,493,917	\$ 28,775,530
Special Rev. Funds - Expenditures	\$ 11,024,872	\$ 3,964,736
Special Rev. Funds - Revenues	\$ 11,024,872	\$ 4,916,092
Utility Expenses	\$ 10,365,019	\$ 4,140,115
Utility Revenues	\$ 10,365,019	\$ 5,363,292
Debt Service Expenditures	\$ 9,171,000	\$ 7,002,269
Debt Service Revenues	\$ 9,171,000	\$ 6,165,553
Total Expenditures	\$ 92,054,808	\$ 47,673,095
Total Revenues	\$ 92,054,808	\$ 45,220,467

Note: FY 2023 Adopted Budget includes use of fund balance in the Special Revenue Funds.

Attachment: Dec22FinRpt (3269 : Treasurer's Report for December 2022)



City of Bartlett -- Financial Summary
For The Period Ending For The Period Ending December 31, 2022

	FY 2022 Unaudited Actual	FY 2023 Adopted Budget	Increase/ Decrease in \$	Year-to-Date Actual FY 2022	Year-to-Date Actual FY 2023	Increase/ Decrease in \$	Percent of FY 2022 Actual	Percent of FY 2023 Budget	Increase/ Decrease in %
General Fund Expenditures									
Administrative	\$ 7,541,461	\$ 8,505,009	\$ 963,548	\$ 3,514,937	\$ 3,100,271	\$ (414,666)	46.61%	36.45%	-10.16%
Public Safety	30,777,032	32,193,764	1,416,732	15,540,380	16,274,368	733,988	50.49%	50.55%	0.06%
Public Works	5,986,620	6,967,139	980,519	2,848,286	3,338,208	489,922	47.58%	47.91%	0.34%
Parks and Recreation	6,212,299	6,661,221	448,922	3,244,276	3,585,922	341,647	52.22%	53.83%	1.61%
Performing Arts	731,876	777,765	45,889	354,845	366,188	11,343	48.48%	47.08%	-1.40%
Transfers & Other Gen. Fund Items	9,161,033	6,389,019	(2,772,014)	6,901,019	5,901,019	(1,000,000)	75.33%	92.36%	17.03%
Total General Fund Expenditures	\$ 60,410,321	\$ 61,493,917	\$ 1,083,596	\$ 32,403,742	\$ 32,565,975	\$ 162,233	53.64%	52.96%	-0.68%
General Fund Revenues									
Property Taxes	\$ 29,671,002	\$ 29,731,000	\$ 59,998	\$ 17,576,756	\$ 16,887,004	\$ (689,752)	59.24%	56.80%	-2.44%
Local Taxes	16,586,268	17,178,430	592,162	5,318,440	5,618,694	300,254	32.07%	32.71%	0.64%
Building and Development Fees	1,632,022	1,626,200	(5,822)	740,069	785,756	45,686	45.35%	48.32%	2.97%
Intergovernmental	7,611,046	7,654,000	42,954	2,386,669	2,532,965	146,296	31.36%	33.09%	1.74%
Charges for Services	4,001,941	3,745,960	(255,981)	1,728,673	2,066,735	338,061	43.20%	55.17%	11.98%
Court Charges	1,351,432	1,258,000	(93,432)	635,044	661,878	26,834	46.99%	52.61%	5.62%
Other Revenue	1,128,797	300,327	(828,470)	835,011	222,499	(612,512)	73.97%	74.09%	0.11%
Total General Fund Revenues	\$ 61,982,507	\$ 61,493,917	\$ (488,590)	\$ 29,220,662	\$ 28,775,530	\$ (445,132)	47.14%	46.79%	-0.35%
Special Revenue Funds									
Street Aid Fund	\$ 2,389,204	\$ 2,260,000	\$ (129,204)	\$ 1,342,792	\$ 665,163	\$ (677,629)	56.20%	29.43%	-26.77%
Solid Waste Fund	6,803,184	7,323,166	519,983	3,154,842	2,732,244	(422,598)	46.37%	37.31%	-9.06%
General Improvement Fund	733,947	877,050	143,103	323,878	443,615	119,737	44.13%	50.58%	6.45%
Drug Enforcement Fund	322,685	297,000	(25,685)	61,700	62,199	499	19.12%	20.94%	1.82%
DEA Enforcement Fund	164,685	125,000	(39,685)	158,596	2,744	(155,853)	96.30%	2.19%	-94.11%
Drainage Control Fund	116,228	129,656	13,428	54,332	55,295	962	46.75%	42.65%	-4.10%
Park Improvement Fund	150,000	0	(150,000)	7,921	0	(7,921)	0.00%	0.00%	0.00%
E-Citation Fund	17,620	13,000	(4,620)	3,166	0	(3,166)	0.00%	0.00%	0.00%
Grant Funds	6,947,500	0	(6,947,500)	2,057,755	3,477	(2,054,278)	29.62%	0.00%	-29.62%
Special Revenue Funds - Expenditures	\$ 17,645,053	\$ 11,024,872	\$ (6,620,180)	\$ 7,164,983	\$ 3,964,736	\$ (3,200,247)	40.61%	35.96%	-4.64%
Special Revenue Funds - Revenues	\$ 16,570,143	\$ 11,024,872	\$ (5,545,271)	\$ 7,888,268	\$ 4,916,092	\$ (2,972,176)	47.61%	44.59%	-3.01%
Utility Fund									
Total Utility Operations	\$ 7,412,779	\$ 9,381,516	\$ 1,968,737	\$ 3,709,859	\$ 3,310,432	\$ (399,427)	50.05%	35.29%	-14.76%
Total Utility Debt Expenses	1,156,914	983,503	(173,411)	1,075,528	829,683	(245,845)	92.97%	84.36%	-8.61%
Total Utility Expenses	\$ 8,569,693	\$ 10,365,019	\$ 1,795,326	\$ 4,785,387	\$ 4,140,115	\$ (645,272)	55.84%	39.94%	-15.90%
Total Utility Revenues	\$ 10,832,271	\$ 10,365,019	\$ (467,252)	\$ 5,146,877	\$ 5,363,292	\$ 216,414	47.51%	51.74%	4.23%
Debt Service Fund									
Total Debt Service Expenditures	\$ 9,426,930	\$ 9,171,000	\$ (255,930)	\$ 7,356,481	\$ 7,002,269	\$ (354,212)	78.04%	76.35%	-1.68%
Total Debt Service Revenues	\$ 10,032,224	\$ 9,171,000	\$ (861,224)	\$ 7,054,939	\$ 6,165,553	\$ (889,386)	70.32%	67.23%	-3.09%
Total Expenditures	\$ 96,051,996	\$ 92,054,808	\$ (3,997,188)	\$ 51,710,593	\$ 47,673,095	\$ (4,037,498)	53.84%	51.79%	-2.05%
Total Revenues	\$ 99,417,146	\$ 92,054,808	\$ (7,362,337)	\$ 49,310,747	\$ 45,220,467	\$ (4,090,280)	49.60%	49.12%	-0.48%

**Board of Mayor and Aldermen**

6400 Stage Road
Bartlett, TN 38134

SCHEDULED**AGENDA ITEM**

Meeting: 02/14/23 06:00 PM

Department: Board of Mayor and Aldermen

Category: Appointment

Prepared By: Penny Medlock

Department Head: David Parsons

Appoint Tommy Higgs, Sr. to the Shelby County Waste Board.

This is a request to appoint Tommy Higgs, Sr. to serve on the Shelby County Solid Waste Board. He will be replacing Mike Adams as Mr. Adams is retired.



Board of Mayor and Aldermen

6400 Stage Road
Bartlett, TN 38134

SCHEDULED

RESOLUTION (ID # 3270)

Meeting: 02/14/23 06:00 PM

Department: Administration

Category: Agreement

Prepared By: Penny Medlock

Initiator: Steve Sones

Sponsors:

DOC ID: 3270

Resolution 01-23, a resolution to support restoring the historic state shared sales tax relationship and the increased single-article cap revenue-sharing relationship between the State of Tennessee and local governments.

WHEREAS, Tennessee's municipal communities are the economic engine of the state, and today, 90% of the state's total sales tax collections are generated within municipal boundaries; and,

WHEREAS, such economic growth is intentional, and when it occurs, it is financed mainly through city taxes for police, fire, streets, water and sewer, schools, parks, libraries, and other amenities that attract and retain businesses and make Tennessee's communities desirable places for people to raise a family, start a business, and visit; and,

WHEREAS, in 1947, the state began sharing 4.6% of each year's total state sales tax collections with cities for the purposes of recognizing the collective contribution of cities as the state's economic engine, thereby acknowledging that city residents incur a local tax burden that is directly attributable to financing, developing, and maintaining an economic environment that continues to generate a healthy portion of the sales tax revenue accruing to the state; and,

WHEREAS, when confronting serious fiscal challenges in 2002, the state of Tennessee increased the state sales tax rate from 6% to 7%; however, cities were precluded from receiving their share of the 1% increase in sales tax revenue; and

WHEREAS, because of this altered sharing relationship, the City of Bartlett was denied an estimated \$1,065,699.19 in shared sales tax revenue in fiscal year 2022, and cities across Tennessee have been denied approximately \$933 million in shared sales tax revenues since its adoption; and

WHEREAS, at the same time in 2002, the state also doubled the amount of purchase price of individual sale items (single-article cap items) subject to the combined state and local option sales tax of 9.75% from \$1,600 to \$3,200.00; and

WHEREAS, in addition to the single-article cap increase from \$1,600 to \$3,200, the state also captured and continues to capture 100% of the state's 7% levy as well as the 2.75% portion of sales tax that is customarily reserved for local government on the added sale of items with a purchase price above \$1,600; and

WHEREAS, since the adoption of the single-article cap increase in 2002, the state has received more than \$1.02 billion in sales tax collections that would have benefited cities, counties, and school systems where these purchases occurred; and

WHEREAS, the returned revenue to cities, including the City of Bartlett, would (1) provide relief to local taxpayers and assist local governments in meeting the increasing demand for services, (2) provide an environment that has enabled existing businesses and industries to succeed, (3) promote further economic expansion, and (4) afford residents a high quality of life that has allowed the state of Tennessee to prosper.

NOW THEREFORE BE IT RESOLVED by the Board of Mayor and Alderman of the City of Bartlett, Tennessee, on behalf of its residents, formally supports the restoration of the historic revenue-sharing relationship of recurring state shared sales taxes in order for cities to once again receive 4.6% of all state general fund sales tax revenue. The Board also formally supports the allowance of local governments to receive sales tax revenues realized on items with a purchase price above \$1,600.00

Adopted this day of February 14, 2023

Harold Brad King, Register to the
Board of Mayor and Aldermen

David Parsons, Mayor

Attest: _____
Penny Medlock, City Clerk

State Shared Sales Tax & Single Article Cap

RESTORE RETURN RELIEF

Member Campaign Kit

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RESTORE RETURN RELIEF

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THE STORY

In 2002, the State of Tennessee enacted a number of measures designed to increase state revenues and intended to stave off an impending budget crisis and avoid fiscal calamity. Two such measures altered the historic sharing relationship between the state and Tennessee's municipalities. The first measure involved altering the revenue sharing relationship with regard to an increase in the state sales tax rate from 6% to 7%. The second measure altered the historic revenue sharing relationship to allow the state to retain a portion of sales tax revenues normally reserved for the local jurisdiction in which a sale occurs. The combined effect of these two measures has been to allow nearly \$2 billion in sales tax revenues to accrue entirely to the benefit of the state's general fund at the expense of municipalities and municipal taxpayers.

For 55 years, the state and its municipalities operated under a revenue sharing relationship first established in 1947, with the inception of a state sales tax. Under this relationship, commonly known as state-shared sales tax or SSST, the state returned 4.6% of the state's total annual sales tax revenues designated for the general fund to the state's municipalities. This sharing relationship was maintained through five subsequent increases in the state sales tax rate, with municipalities continuing to receive 4.6% of total state sales tax, including those revenues associated with each new rate increase. But that changed in 2002, when the state determined not to share any of the revenues associated with an increase in the state sales tax rate from 6% to 7%; thereby altering the historical sharing relationship in order to retain more sales tax revenues for itself. TML's legislation fully **RESTORES** this historic revenue-sharing relationship.

In the 20 years since these provisions took effect, Tennessee's state leaders have managed the budget with great care and a strong fiscally conservative approach to create a sustained period of economic vitality, with nine consecutive years of surplus revenues and the recurring revenues which allow for permanent restoration. Municipal residents and businesses have continued to fuel the state's economic engine generating the historic sales tax collections that buttress the state's prosperity. Today, thanks to the stewardship and conservative leadership the state continues to enjoy a period of sustained fiscal prosperity and the threat of a state fiscal crisis is a distant memory. Yet, these two austerity measures adopted in 2002 remain in place. TML's legislation **RETURNS** these locally-generated revenues to Tennessee's towns and cities.

Cities are the economic engine of the state. On average, about 90% of the sales tax revenues realized by the State are generated within city limits. This 90% is not generated freely. Economic growth is intentional and when it occurs, it is financed largely through city taxes paid by municipal residents and businesses. These city tax collections fund the investments for police, fire, streets, water and sewers, schools, parks, libraries and other services and amenities that attract, nurture and support businesses and make our communities desirable places for people to live and visit. In turn, these same residents patronize the businesses they have attracted and supported; allowing for the generation of the sales tax revenues the State enjoys. Thus, city taxpayers finance the costs of much of the state's economic output through their city taxes. As a result, any measurable economic growth is accompanied by an increased local tax burden borne by city residents. Each dollar of shared revenue returned to the community is a dollar less in local taxes that municipal taxpayers must provide to keep the State's economic engine producing. Likewise, every dollar of locally-generated local option sales taxes that may be retained by the local government aids a municipality or county in meeting funding demands and helps to reduce the pressure to increase local tax rates. TML's legislation brings tax **RELIEF** to municipal taxpayers by returning more of the sales tax revenues already being collected locally to the communities where they are being generated.

RESTORE RETURN RELIEF

RESTORE RETURN RELIEF

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THE CAMPAIGN

Now is the time...

Time to **Restore** the historical sharing relationship between the state and municipalities by allowing municipalities to receive a share of *all* state sales tax collections flowing to the state general fund and by increasing the amount of sales tax that might be realized by a local jurisdiction on the purchase price of a single article.

Time to **Return** millions in locally-generated sales tax revenues to local governments to assist with the ever-increasing costs of providing essential services and promoting an environment that sustains the continued generation of state sales tax collections for the state's general fund.

Time to provide **Relief** to municipal taxpayers by returning millions in locally-generated sales tax collections to help to reduce pressures to increase the tax burden borne by local taxpayers in association with the generation of the state's principal source of revenue.

RESTORE RETURN RELIEF

RESTORE RETURN RELIEF

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In 2002, the State of Tennessee enacted a number of measures designed to increase state revenues and intended to stave off an impending budget crisis and avoid fiscal calamity. Two such measures altered the historic sharing relationship between the state and Tennessee's municipalities. The first measure involved altering the revenue sharing relationship with regard to an increase in the state sales tax rate from 6% to 7%. The second measure altered the historic revenue sharing relationship to allow the state to retain a portion of sales tax revenues normally reserved for the local jurisdiction in which a sale occurs. The combined effect of these two measures has been to allow nearly \$2 billion in sales tax revenues to accrue entirely to the benefit of the state's general fund at the expense of municipalities and municipal taxpayers.

RESTORE

For 55 years, the state and its municipalities operated under a revenue sharing relationship first established in 1947, with the inception of a state sales tax. Under this relationship, commonly known as **state-shared sales tax or SSST**, the state returned 4.6% of the state's total annual sales tax revenues designated for the general fund to the state's municipalities. This sharing relationship was maintained through five subsequent increases in the state sales tax rate, with municipalities continuing to receive 4.6% of total state sales tax, including those revenues associated with each new rate increase. But that changed in 2002, when the state determined not to share any of the revenues associated with an increase in the state sales tax rate from 6% to 7%; thereby altering the historical sharing relationship in order to retain more sales tax revenues for itself.

Tennessee law authorizes both the state and the local jurisdiction in which a sale occurs to levy a sales tax on each item at the time of purchase. Currently, the state is permitted to levy a sales tax at a rate of 7% and a local government may levy a local option sales tax that may not exceed a rate of 2.75%. By law, half of the local sales tax collected with each purchase is allocated to the city or county in which the sale occurred while the second half is allocated to the local school system. Unlike the state levy which is applied to the full sales price of an item, the local levy is capped and may only be applied to a specific dollar amount of each item sold. Thus, the local government in which a sale occurs is entitled to derive revenues from the local sales tax levied on each purchase but only up to the limit imposed under law. This statutory limit on the amount of each sale that is subject to the local option sales tax is known as the **single article cap**.

The single article cap was established decades ago and was originally based on a percentage of the purchase price of each sale. The percentage was increased a couple of times before being replaced with a specific dollar amount. Following the establishment of the cap on the purchase price of each item sold that was subject to the sales tax as a dollar amount, this specific amount was increased several times in subsequent years. With each of these increases, the entire local sales tax levy on each purchase was retained by the local jurisdiction in which the sale occurred. The last increase in the single article cap that honored this sharing relationship

occurred in 1990, when the single article cap was increased to \$1,600. In 2002, the state increased the single article

cap from \$1,600 to \$3,200. However, unlike what occurred with prior increases, the state altered the historic relationship by electing to retain 100 percent of the 2.75% local levy that is customarily reserved for local government on items with a purchase price between \$1,600 and \$3,200. As a result, a local government may only realize revenue generated by its levy on the first \$1,600 of the purchase price of an item, despite the cap having been increased to \$3,200. The state, on the other hand, not only continues to realize 100 percent of the 7% levy on the full purchase price of every item sold but also 100 percent of the revenue generated by the local levy (2.75%) on items with a purchase price in excess of \$1,600.

Join us in calling on Governor Lee and your state senators and representatives to reverse these two twenty-year-old measures. Urge them to **RESTORE** the historical sharing relationship between the State and its municipalities by allowing municipalities to once again share in 100% of the state sales tax revenues flowing to the state's general fund and by allowing local government to realize 100 percent of the local share of sales tax revenues generated by the 2002 increase in the single article cap.

RESTORE RETURN RELIEF

Tennessee Municipal League -- 226 Anne Dallas Dudley Blvd., STE 710, Nashville, TN 37219

RESTORE RETURN RELIEF

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In 2002, the State of Tennessee enacted a number of measures designed to increase state revenues and intended to stave off an impending budget crisis and avoid fiscal calamity. Two such measures altered the historic sharing relationship between the state and Tennessee's municipalities. The first measure involved altering the revenue sharing relationship with regard to an increase in the state sales tax rate from 6% to 7%. The second measure altered the historic revenue sharing relationship to allow the state to retain a portion of sales tax revenues normally reserved for the local jurisdiction in which a sale occurs. The combined effect of these two measures has been to allow nearly \$2 billion in sales tax revenues to accrue entirely to the benefit of the state's general fund at the expense of municipalities and municipal taxpayers.

RETURN

Two decades have elapsed since the relationship was altered. Over this period of time, municipal residents and businesses have continued to fuel the state's economic engine generating the historic sales tax collections that buttress the state's prosperity. Today, the state continues to enjoy a period of sustained fiscal prosperity and the threat of a state fiscal crisis is a distant memory. Yet, these two austerity measures adopted in 2002 remain in place.

About \$9 out of every \$10 in state sales tax collections are generated within city limits. The stated statutory purpose underlying the sharing relationship that is embodied in the state-shared sales tax is to recognize the contributions of municipalities and municipal residents to the state's economic and fiscal health. For more than 50 years, this purpose was accomplished by returning a small portion of the sales tax dollars designated for the state's general fund to the municipalities where the vast majority of state sales tax revenues are generated.

As a result of altering the historic sharing relationship to preclude municipalities from fully sharing in the 1% increase in the state sales tax rate adopted in 2002, the state returns only 3.6% of total state sales tax revenues to benefit municipal residents rather than the 4.6% that was returned to municipalities for more than 50 years prior to the change. Last year, alone, this difference amounted to the state's general fund retaining \$78 million more than it would had the 2002 change not been made. Moreover, since 2002, the state's general fund has retained an additional \$913 million in sales tax collections that would have been returned to benefit municipal taxpayers had this relationship not been altered.

A look at the state's decision to alter the historical relationship with respect to the single-article cap reveals a similar effect. In choosing to increase the single article cap to \$3,200 while also assuming the revenue that otherwise would have been realized by local governments on all items with a purchase price in excess of \$1,600, the state has retained dollars that would have otherwise benefitted local taxpayers. Last year, alone, the state received \$74 million in sales tax revenues that were generated by the additional 2.75% levy on items with a purchase price above \$1,600. As a result, nearly \$37 million in sales tax revenues were diverted from local school systems and another \$37 million was diverted from municipal and county governments. Since its adoption in 2002, the altering of the allocation of revenues associated with the increase in the single article cap has resulted in the state receiving \$1.02 billion in sales tax collections –

revenues that would have benefitted the municipality, county and school system where these purchases occurred had the revenue relationship not been altered.

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Join us in calling on Governor Lee and the state's senators and representatives to **RETURN** these state sales tax dollars to the communities in which they were generated to assist local governments to meet increasing demand for service, to continue to provide an environment that has enabled existing business and industry to succeed, to continue to promote economic expansion and to continue to afford residents a high quality of life.

Attachment: Restore Return and Relief (3270 : Res. 01-23 Support of Historic Revenue Sharing Restoration)

RESTORE RETURN RELIEF

Tennessee Municipal League -- 226 Anne Dallas Dudley Blvd., STE 710, Nashville, TN 37219

RESTORE RETURN RELIEF

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In 2002, the State of Tennessee enacted a number of measures designed to increase state revenues and intended to stave off an impending budget crisis and avoid fiscal calamity. Two such measures altered the historic sharing relationship between the state and Tennessee's municipalities. The first measure involved altering the revenue sharing relationship with regard to an increase in the state sales tax rate from 6% to 7%. The second measure altered the historic revenue sharing relationship to allow the state to retain a portion of sales tax revenues normally reserved for the local jurisdiction in which a sale occurs. The combined effect of these two measures has been to allow nearly \$2 billion in sales tax revenues to accrue entirely to the benefit of the state's general fund at the expense of municipalities and municipal taxpayers.

RELIEF

Two decades have elapsed since the relationship was altered. Over this period of time, municipal residents and businesses have continued to fuel the state's economic engine generating the historic sales tax collections that buttress the state's prosperity. Today, the state continues to enjoy a period of sustained fiscal prosperity and the threat of a state fiscal crisis is a distant memory. Yet, these two austerity measures adopted in 2002 remain in place.

State-shared sales tax is a sharing mechanism that returns a portion of the State's sales tax revenues to municipalities. Increasing the amount of the State's sales tax revenue that is shared with municipalities is a form of tax relief that will benefit all residents of a municipality. Cities are the economic engine of the state. On average, about 90% of the sales tax revenues realized by the State are generated within city limits. This 90% is not generated freely. Economic growth is intentional and when it occurs, it is financed largely through city taxes paid by municipal residents and businesses. These city tax collections fund the investments for police, fire, streets, water and sewers, schools, parks, libraries and other services and amenities that attract, nurture and support businesses and make our communities desirable places for people to live and visit. In turn, these same residents patronize the businesses they have attracted and supported; allowing for the generation of the sales tax revenues the State enjoys. Thus, city taxpayers finance the costs of much of the state's economic output through their city taxes. As a result, any measurable economic growth is accompanied by an increased local tax burden borne by city residents.

The State recognized this fact in 1947, when the state began sharing 4.6% of each year's total state sales tax collections with cities. This sharing of sales tax collections was established for the purposes of recognizing the collective contribution of cities as the state's economic engine and acknowledging that city residents incur a local tax burden that is directly attributable to financing, developing and maintaining an economic environment that continues to generate a healthy portion of the sales tax revenues accruing to the state.

In addition to the sharing of state sales tax revenues, local governments may also levy a local sales tax. Local sales tax collections help to reduce the amount of the costs of infrastructure, services and amenities that are financed by the local property tax. Allowing locals to retain all of the local option sales tax revenues derived under the single-article cap would reduce local budgetary pressures and the associated tax burden. The measure adopted in 2002 effectively capped the local revenue producing capacity of the local option sales tax at 1990-levels. Consequently, the local capacity has failed to keep pace with the increasing costs of the services and amenities demanded. As a result, there has been a significant erosion of the buying power of each tax sales tax dollar collected. Therefore, more local tax dollars are needed each year to simply maintain the current level of services and existing infrastructure. In those communities where growth and expansion has led to the need for additional infrastructure and an expansion of services, the demands on local taxes are exponentially greater.

Each dollar of shared revenue returned to the community is a dollar less in local taxes that municipal taxpayers must provide to keep the State's economic engine producing. Likewise, every dollar of locally-generated local option sales taxes that may be retained by the local government aids a municipality or county in meeting funding demands and helps to reduce the pressure to increase local tax rates.

Join us in calling on Governor Lee and the state's senators and representatives to provide **RELIEF** to municipal taxpayers by allowing municipalities to share in 100 percent of the state sales tax revenues flowing to the state's general fund and by allowing local government to realize 100 percent of the local share of sales tax revenues generated by the 2002 increase in the single article cap; thereby helping cities to cope with the increasing costs necessary to fuel the engine and helping to hold down local taxes and to ease the local tax burden borne by municipal residents and businesses.

RESTORE RETURN RELIEF

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STATE SHARED SALES TAX AND SINGLE ARTICLE CAP

Talking Points

- In 2002, the State changed historical relationship in order to address a significant state budget shortfall and avoid impending fiscal crisis.
- Changes solely benefitted state budget at expense of local taxpayers
- Nearly \$2 billion in additional sales tax collections realized by state – \$2 billion that would have benefitted local taxpayers had the historical relationship not been altered in 2002.
- Justification for these austerity measures has long-passed
- State demonstrated sustained economic and fiscal performance
- Recurring revenues allow for permanent restoration
- State has never been better positioned to restore historical relationship
- Now is the time.

Attachment: Restore Return and Relief (3270 : Res. 01-23 Support of Historic Revenue Sharing Restoration)

RESTORE RETURN RELIEF

Tennessee Municipal League -- 226 Anne Dallas Dudley Blvd., STE 710, Nashville, TN 37219

RESTORE RETURN RELIEF

Talking Points

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RESTORE

TML's legislation fully **RESTORES** the historic revenue sharing relationship between the state and municipalities by allowing municipalities to once again share in 100% of the state sales tax revenues flowing to the state's general fund and by allowing local governments to realize 100 % of the local share of sales tax revenues generated by the 2002 increase in the single article cap.

State-Shared Sales Tax

- First established in 1947 and maintained for 55 years, the revenue sharing relationship between the state and municipal governments was maintained through five subsequent increases in the state sales tax rate, with municipalities continuing to receive 4.6% of the total state sales tax, including those revenues associated with each new rate increase.
- To stave off a budget crisis in 2002, the state altered the historic sharing relationship with Tennessee's municipalities, when the state approved an increase in the state sales tax rate from 6% to 7 %, but the revenues associated with the 1% increase accrued entirely to the state's general fund and precluded sharing with cities.
- As a result of altering the historic sharing relationship in 2002, the state only returns 3.6% of total state sales tax revenues to municipalities.
- Last year, alone, this difference amounted to the state's general fund retaining \$78 million more had the 2002 change not been made.
- In the 20 years since that "temporary measure" was enacted, cities have been denied some \$933 million in additional sales tax revenues.

Single Article Cap

- Also, in 2002, the state increased the amount of the purchase price on a large, single item like a car or piece of furniture that is subject to the combined state and local option sales tax (9.75%) from \$1,600 to \$3,200. But rather than sharing that increased amount with local governments, the state claimed all of the Local Option Sales Tax (2.75%) revenues on sale items that cost between \$1,600 and \$3,200.
- Last year, alone, the state received \$74 million in sales tax revenue that were generated by the additional 2.75% levy on items with a purchase price above \$1,600. As a result, nearly \$37 million in sales tax revenues were diverted from local school systems and another \$37 million was diverted from local governments.
- Since its adoption in 2002, the state has received \$1.02 billion in sales tax collections from the increase of single article cap – revenues that would have benefitted the municipality, county, and school system where these purchases occurred.

The combined effect of these two "temporary" measures has allowed nearly \$2 billion in sales taxes to accrue entirely to the benefit of the state's general fund and at the expense of municipalities and municipal taxpayers. The returned revenue would provide relief to local taxpayers, allow local governments to meet funding demands necessary to maintain vital infrastructure, provide essential services to our citizens, fuel economic expansion, and afford the quality of life that has allowed this state to prosper.

RESTORE RETURN RELIEF

RESTORE RETURN RELIEF

Talking Points

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RETURN

TML's legislation **RETURNS** millions in locally-generated sales tax revenues to Tennessee towns and cities to assist with the ever-increasing costs of providing essential services that affords residents a high quality of life, and promotes an environment that has enabled existing businesses and industries to succeed and grow.

- The combined effect of the state's actions in 2002 has been to allow nearly \$2 billion in sales tax revenues to accrue entirely to the benefit of the state's general fund and at the expense of municipalities and municipal taxpayers.
- It has been 20 years since these two, "temporary" measures were adopted. In the two decades since these provisions took effect, the state of Tennessee's dynamic economic and fiscal policies have erased the conditions that led to these austerity measures.
- Tennessee state leaders have managed the budget with great care and a strong fiscally conservative approach to create a sustained period of economic vitality with eight consecutive years of surplus revenues and demonstrated fiscal performance.
- Since the 2009 economic downturn, the governors and the General Assemblies have worked together to increase the State's rainy-day fund by \$1.1 billion and to bolster unrestricted budgetary reserves to \$9.3 billion. In addition, the State has an estimated \$3.14 billion in unobligated recurring revenues.
- The state has amassed the healthiest of budget reserves, and the existence of recurring revenues allow for permanent restoration. Since the 2009 economic downturn, the governors and the General Assemblies have worked together to increase the State's rainy-day fund by \$1.1 billion and to bolster unrestricted budgetary reserves to \$9.3 billion. In addition, the State has an estimated \$3.14 billion in unobligated recurring revenues.
- The state has never been in a better fiscal position to restore the historical relationship and return to the revenue-sharing practices that existed prior to 2002.
- Now is the time.

Attachment: Restore Return and Relief (3270 : Res. 01-23 Support of Historic Revenue Sharing Restoration)

RESTORE RETURN RELIEF

Talking Points

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RELIEF

TML's legislation brings tax **RELIEF** to our communities by returning more of the sales tax revenues already being collected locally.

- Cities are the economic engines of the state. On average, about 90% of sales tax revenues realized by the state, are generated within city limits. Or in other words, about \$9 out of every \$10 in state sales tax collections are generated within city limits.
- Economic growth is intentional and when it occurs, it is financed largely through city taxes paid by municipal residents and businesses.
- City tax collections pay for essential services such as police, fire, streets, water and sewers, schools, parks, libraries and other services and amenities that attract, nurture and support business and make our communities desirable places to live, work and raise our families.
- Each dollar of shared revenue returned to the community is a dollar less in local taxes that municipal taxpayers must provide to keep the State's economic engines producing.
- The restoration of these shared revenues would relieve the pressure on local property taxes that impact every citizen in our cities and towns. At a time of high inflation, the restoration of the historic revenue sharing relationship and return of every available dollar means budget flexibility and more resources for essential services.
- Our state is in a solid financial position. Our cities and towns should benefit through the reinstatement of state shared revenues that will mean tax relief for most Tennesseans.

Attachment: Restore Return and Relief (3270 : Res. 01-23 Support of Historic Revenue Sharing Restoration)

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RESTORING THE HISTORIC REVENUE SHARING RELATIONSHIP

Background

Cities are the economic engine of the state. Economic growth is intentional and when it occurs, it is financed largely through city taxes for police, fire, streets, water and sewer, schools, parks, libraries and other amenities that attract and retain businesses and make our communities desirable places for people to live and visit. Thus, city taxpayers finance the costs of infrastructure, services and amenities responsible for much of the state's economic output through their city taxes. As a result, any measurable economic growth is accompanied by an increased local tax burden borne by city residents.

The State recognized this fact in 1947, when the state began sharing 4.6% of each year's total state sales tax collections with cities. This was done for the purposes of recognizing the collective contribution of cities as the state's economic engine and acknowledging that city residents incur a local tax burden that is directly attributable to financing, developing and maintaining an economic environment that continues to generate a healthy portion of the sales tax revenues accruing to the state.

Today, about 90% of the state's total sales tax collections are generated within city limits. Thus, this sharing amounts to a practice of returning to cities a small portion of the state's sales tax revenues in order to reduce the local tax burden. A burden that is borne by city taxpayers and that is directly associated with keeping the state's economic engine running.

In 2002, the state was confronting serious fiscal challenges and increased the sales tax rate from 6% to 7%. The revenues associated with this 1 % increase in the state sales tax rate accrue entirely to the state's general fund, precluding cities from sharing in this increase and altering the historical relationship. As a result of this change to the sharing relationship, municipalities only receive a share of the state sales tax generated by 5.5% of the state sales tax rate rather than the full 7%.

Issue

For 50 years, the state continued the sharing relationship first established in 1947, by returning 4.6% of the state's total annual sales tax revenues to cities. But that changed in the early 2000's, when the state elected to address its budget shortfall by altering this relationship; thereby, retaining more sales tax revenues for itself.

Twenty years later, the state is enjoying fiscal prosperity and the threat of a fiscal crisis is a distant memory. Yet, this austerity measure remains in place. Precluding cities from sharing in this rate increase has reduced the effective share of the sales tax revenues provided cities from 4.6% to 3.6% of total state sales tax revenues. If one were to isolate only the effects of the state's decision to keep 100% of the revenues associated with the increase in the state's sales tax rate from 6% to 7%, then one would find that cities have been denied \$913 million in shared revenues since its adoption.

Remedy

Reverse the action taken more than 20 years ago that allowed the state to amass more sales tax revenues and avert a deeper fiscal crisis by restoring the sharing relationship and allowing cities to share in 100% of the state sales tax revenues flowing to the state's general fund.

The returned revenue would provide relief to local taxpayers, allow local governments to meet funding demands that are necessary to maintain vital infrastructure, provide essential services to our citizens, fuel economic expansion, and afford the quality of life that has allowed this state to prosper.

Attachment: Restore Return and Relief (3270 : Res. 01-23 Support of Historic Revenue Sharing Restoration)

RESTORE RETURN RELIEF

Tennessee Municipal League -- 226 Anne Dallas Dudley Blvd., STE 710, Nashville, TN 37219

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ALLOCATION OF INCREASED SSST REVENUES AS A RESULT OF PROPOSED RESTORATION OF SSST RELATIONSHIP

Utilizing sales tax data provided by the Department of Revenue for FY '21-'22, we prepared an estimate of the amount each municipality would have received in state-shared sales taxes had our proposed restoration been in effect. A copy of the estimate follows on the subsequent pages.

In addition to preparing the projected increase in state-shared sales tax for each municipality, we also conducted an analysis of the allocation of the benefits realized.

- 85% of municipalities with a population of less than 5,000 will benefit from the proposed restoration because, proportionally, they receive more state-shared sales taxes than they generate in collections. Or said another way, 85% of the cities with less than 5,000 residents have a greater proportion of people than sales tax collections.

Comparison of Sales Proportion and Population Proportion by Population Range				
Population Range	# of Cities	Sales > Population	Sales < Population	% Less Than
0 - 5,000	241	34	206	85%
5,000 - 10,000	42	16	26	62%
10,001 - 20,000	30	14	16	53%
20,001 - 50,000	17	10	7	41%
50,001 - 100,000	9	4	5	56%
> 100,000	6	3	3	50%
Total	345	81	263	76%

As part of this allocation analysis, we examined the benefit to municipalities with a population of less than 20,000.

- The proposed restoration of the sharing of state sales tax would have generated an additional \$19 million in revenue for the 313 municipalities with fewer than 20,000 residents.
- Municipalities with a population under 5,000 would have realized a \$6.6 million increase in state-shared sales tax revenues.

In addition, we analyzed the impact of the proposed restoration on those municipalities located within a distressed county.

- If the proposed restoration of the relationship was in effect last fiscal year, then the municipalities located within a distressed county would have received an additional \$870,000 in state-shared sales tax revenues.

Lastly, we explored the effect of proposed restoration of the relationship on communities affected by Blue Oval City.

- Included municipalities located in the five counties in proximity to Blue Oval City (Fayette, Hardeman, Haywood, Lauderdale and Tipton)
- All municipalities in these five counties are under 10,000 in population and all but seven municipalities in this five-county region are under 5,000 in population
- If the proposed restoration of the relationship of state-shared sales tax was in effect, then the cities in these five counties would have realized an additional \$1.46 million in revenues.

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Name	County	Grand Division	2021 Population	*Estimated State Shared Sales Tax Revenue Increase (FY21-22)
Adams	Robertson	Middle	624	11,507.91
Adamsville	McNairy	West	2,265	41,771.51
Alamo	Crockett	West	2,336	43,080.91
Alcoa	Blount	East	10,978	202,458.13
Alexandria	DeKalb	Middle	981	18,091.77
Algood	Putnam	Middle	3,963	73,086.32
Allardt	Fentress	Middle	555	10,235.40
Altamont	Grundy	Middle	1,117	20,599.90
Ardmore	Giles	Middle	1,217	22,444.12
Arlington	Shelby	West	14,549	268,315.12
Ashland City	Cheatham	Middle	5,193	95,770.18
Athens	McMinn	East	14,084	259,739.51
Atoka	Tipton	West	10,008	184,569.23
Atwood	Carroll	West	940	17,335.64
Auburntown	Cannon	Middle	272	5,016.27
Baileyton	Greene	East	436	8,040.79
Baneberry	Jefferson	East	523	9,645.25
Bartlett	Shelby	West	57,786	1,065,699.19
Baxter	Putnam	Middle	1,578	29,101.74
Bean Station	Grainger	East	2,967	54,717.92
Beersheba Springs	Grundy	Middle	434	8,003.90
Bell Buckle	Bedford	Middle	410	7,561.29
Belle Meade	Davidson	Middle	2,901	53,500.73
Bells	Crockett	West	2,463	45,423.06
Benton	Polk	East	1,523	28,087.42
Berry Hill	Davidson	Middle	2,112	38,949.86
Bethel Springs	McNairy	West	742	13,684.09
Big Sandy	Benton	West	486	8,962.89
Blaine	Grainger	East	2,084	38,433.48
Bluff City	Sullivan	East	1,822	33,601.63
Bolivar	Hardeman	West	5,205	95,991.49
Braden	Fayette	West	255	4,702.75
Bradford	Gibson	West	1,001	18,460.61
Brentwood	Williamson	Middle	45,373	836,776.54
Brighton	Tipton	West	2,888	53,260.98
Bristol	Sullivan	East	27,147	500,649.57
Brownsville	Haywood	West	9,788	180,511.95
Bruceton	Carroll	West	1,507	27,792.35
Bulls Gap	Hawkins	East	756	13,942.28
Burlison	Tipton	West	367	6,768.28
Burns	Dickson	Middle	1,573	29,009.53
Byrdstown	Pickett	Middle	798	14,716.85

**These Estimated Revenues Reflect the Increase in State Shared Sales Tax Each Municipality Would Have Received if Our Legislation Was Enacted Last Year*

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Calhoun	McMinn	East	536	9,885.00
Camden	Benton	West	3,674	67,756.53
Carthage	Smith	Middle	2,291	42,251.01
Caryville	Campbell	East	2,212	40,794.08
Cedar Hill	Robertson	Middle	301	5,551.09
Celina	Clay	Middle	1,422	26,224.76
Centertown	Warren	Middle	297	5,477.32
Centerville	Hickman	Middle	3,532	65,137.74
Chapel Hill	Marshall	Middle	1,717	31,665.20
Charleston	Bradley	East	664	12,245.60
Charlotte	Dickson	Middle	1,656	30,540.23
Chattanooga	Hamilton	East	181,099	3,339,858.39
Church Hill	Hawkins	East	6,998	129,058.30
Clarksburg	Carroll	West	379	6,989.58
Clarksville	Montgomery	Middle	166,722	3,074,715.33
Cleveland	Bradley	East	47,356	873,347.36
Clifton	Wayne	Middle	2,651	48,890.19
Clinton	Anderson	East	10,056	185,454.45
Coalmont	Grundy	Middle	784	14,458.66
Collegedale	Hamilton	East	11,109	204,874.06
Collierville	Shelby	West	51,324	946,525.89
Collinwood	Wayne	Middle	898	16,561.07
Columbia	Maury	Middle	41,690	768,854.03
Cookeville	Putnam	Middle	34,842	642,562.06
Coopertown	Robertson	Middle	4,480	82,620.92
Copperhill	Polk	East	443	8,169.88
Cornersville	Marshall	Middle	1,228	22,646.98
Cottage Grove	Henry	West	66	1,217.18
Covington	Tipton	West	8,663	159,764.51
Cowan	Franklin	Middle	1,759	32,439.78
Crab Orchard	Cumberland	East	720	13,278.36
Cross Plains	Robertson	Middle	1,789	32,993.04
Crossville	Cumberland	East	12,071	222,615.42
Crump	Hardin	Middle	1,594	29,396.82
Cumberland City	Stewart	Middle	305	5,624.86
Cumberland Gap	Claiborne	East	313	5,772.40
Dandridge	Jefferson	East	3,344	61,670.61
Dayton	Rhea	East	7,065	130,293.93
Decatur	Meigs	East	1,563	28,825.11
Decaturville	Decatur	West	807	14,882.83
Decherd	Franklin	Middle	2,379	43,873.92
Dickson	Dickson	Middle	16,058	296,144.35

**These Estimated Revenues Reflect the Increase in State Shared Sales Tax Each Municipality Would Have Received if Our Legislation Was Enacted Last Year*

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Name	County	Grand Division	2021 Population	*Estimated State Shared Sales Tax Revenue Increase (FY21-22)
Dover	Stewart	Middle	1,826	33,675.40
Dowelltown	DeKalb	Middle	342	6,307.22
Doyle	White	Middle	493	9,091.99
Dresden	Weakley	West	3,019	55,676.91
Ducktown	Polk	East	461	8,501.84
Dunlap	Sequatchie	Middle	5,357	98,794.70
Dyer	Gibson	West	2,308	42,564.53
Dyersburg	Dyer	West	16,164	298,099.22
Eagleville	Rutherford	Middle	813	14,993.48
East Ridge	Hamilton	East	22,167	408,807.56
Eastview	McNairy	West	763	14,071.38
Elizabethton	Carter	East	14,546	268,259.79
Elkton	Giles	Middle	545	10,050.98
Englewood	McMinn	East	1,483	27,349.74
Enville	Chester	West	188	3,467.13
Erin	Houston	Middle	1,224	22,573.22
Erwin	Unicoi	East	6,083	112,183.72
Estill Springs	Franklin	Middle	2,267	41,808.40
Ethridge	Lawrence	Middle	537	9,903.44
Etowah	McMinn	East	3,603	66,447.14
Fairview	Williamson	Middle	9,357	172,563.38
Farragut	Knox	East	23,506	433,501.63
Fayetteville	Lincoln	Middle	7,068	130,349.25
Finger	McNairy	West	276	5,090.04
Forest Hills	Davidson	Middle	5,038	92,911.65
Franklin	Williamson	Middle	83,454	1,539,072.79
Friendship	Crockett	West	613	11,305.05
Friendsville	Blount	East	896	16,524.18
Gadsden	Crockett	West	469	8,649.38
Gainesboro	Jackson	Middle	920	16,966.80
Gallatin	Sumner	Middle	44,431	819,404.02
Gallaway	Fayette	West	528	9,737.47
Garland	Tipton	West	289	5,329.79
Gates	Lauderdale	West	664	12,245.60
Gatlinburg	Sevier	East	3,577	65,967.64
Germantown	Shelby	West	41,333	762,270.18
Gibson	Gibson	West	366	6,749.83
Gilt Edge	Tipton	West	476	8,778.47
Gleason	Weakley	West	1,369	25,247.33
Goodlettsville	Davidson	Middle	17,789	328,067.75
Gordonsville	Smith	Middle	1,363	25,136.68
Grand Junction	Hardeman	West	338	6,233.45

*These Estimated Revenues Reflect the Increase in State Shared Sales Tax

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Graysville	Rhea	East	1,471	27,128.43
Greenback	Loudon	East	1,102	20,323.27
Greenbrier	Robertson	Middle	6,898	127,214.08
Greeneville	Greene	East	15,479	285,466.34
Greenfield	Weakley	West	2,031	37,456.05
Gruetli-Laager	Grundy	Middle	1,742	32,126.26
Guys	McNairy	West	414	7,635.06
Halls	Lauderdale	West	2,091	38,562.58
Harriman	Roane	East	5,892	108,661.26
Harrogate	Claiborne	East	4,400	81,145.54
Hartsville-Trousdale	Trousdale	Middle	11,615	214,205.79
Henderson	Chester	West	6,308	116,333.20
Hendersonville	Sumner	Middle	61,753	1,138,859.27
Henning	Lauderdale	West	871	16,063.13
Henry	Henry	West	446	8,225.21
Hickory Valley	Hardeman	West	78	1,438.49
Hohenwald	Lewis	Middle	3,668	67,645.88
Hollow Rock	Carroll	West	683	12,596.00
Hornbeak	Obion	West	511	9,423.95
Hornsby	Hardeman	West	264	4,868.73
Humboldt	Gibson	West	7,874	145,213.64
Huntingdon	Carroll	West	4,439	81,864.79
Huntland	Franklin	Middle	886	16,339.76
Huntsville	Scott	East	1,270	23,421.55
Jacksboro	Campbell	East	2,306	42,527.64
Jackson	Madison	West	68,205	1,257,848.15
Jamestown	Fentress	Middle	1,935	35,685.60
Jasper	Marion	East	3,612	66,613.12
Jefferson City	Jefferson	East	8,419	155,264.62
Jellico	Campbell	East	2,154	39,724.43
Johnson City	Washington	East	71,046	1,310,242.35
Jonesborough	Washington	East	5,860	108,071.11
Kenton	Obion	West	1,205	22,222.81
Kimball	Marion	East	1,545	28,493.15
Kingsport	Sullivan	East	55,442	1,022,470.74
Kingston	Roane	East	5,953	109,786.23
Kingston Springs	Cheatham	Middle	2,824	52,080.69
Knoxville	Knox	East	190,740	3,517,659.35
La Follette	Campbell	East	7,430	137,025.32
La Grange	Fayette	West	123	2,268.39
La Vergne	Rutherford	Middle	38,719	714,062.35
Lafayette	Macon	Middle	5,584	102,981.07

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Lakeland	Shelby	West	13,904	256,419.92
Lakesite	Hamilton	East	1,856	34,228.67
Lawrenceburg	Lawrence	Middle	11,633	214,537.75
Lebanon	Wilson	Middle	38,431	708,751.00
Lenoir City	Loudon	East	10,117	186,579.43
Lewisburg	Marshall	Middle	12,288	226,617.37
Lexington	Henderson	West	7,956	146,725.90
Liberty	DeKalb	Middle	334	6,159.68
Linden	Perry	Middle	997	18,386.84
Livingston	Overton	Middle	3,905	72,016.67
Lobelville	Perry	Middle	919	16,948.35
Lookout Mountain	Hamilton	East	2,058	37,953.98
Loretto	Lawrence	Middle	1,739	32,070.93
Loudon	Loudon	East	5,991	110,487.04
Louisville	Blount	East	4,384	80,850.47
Luttrell	Union	East	1,017	18,755.69
Lynchburg	Moore	Middle	6,461	119,154.85
Lynnville	Giles	Middle	292	5,385.11
Madisonville	Monroe	East	5,132	94,645.21
Manchester	Coffee	Middle	12,212	225,215.77
Martin	Weakley	West	10,825	199,636.48
Maryville	Blount	East	31,907	588,434.29
Mason	Tipton	West	1,337	24,657.18
Maury City	Crockett	West	583	10,751.78
Maynardville	Union	East	2,456	45,293.97
McEwen	Humphreys	Middle	1,643	30,300.48
McKenzie	Carroll	West	5,529	101,966.75
McLemoresville	Carroll	West	288	5,311.34
McMinnville	Warren	Middle	13,788	254,280.63
Medina	Gibson	West	5,126	94,534.56
Medon	Madison	West	189	3,485.57
Memphis	Shelby	West	633,104	11,675,811.07
Michie	McNairy	West	679	12,522.23
Middleton	Hardeman	West	658	12,134.95
Milan	Gibson	West	8,171	150,690.96
Milledgeville	Hardin	West	271	4,997.83
Millersville	Sumner	Middle	6,299	116,167.22
Millington	Shelby	West	10,582	195,155.03
Minor Hill	Giles	Middle	504	9,294.85
Mitchellville	Sumner	Middle	163	3,006.07
Monteagle	Grundy	Middle	1,393	25,689.94
Monterey	Putnam	Middle	2,746	50,642.20

**These Estimated Revenues Reflect the Increase in State Shared Sales Tax Each Municipality Would Have Received if Our Legislation Was Enacted Last Year*

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Morrison	Warren	Middle	733	13,518.11
Morristown	Hamblen	East	30,431	561,213.65
Moscow	Fayette	West	572	10,548.92
Mosheim	Greene	East	2,479	45,718.14
Mount Carmel	Hawkins	East	5,473	100,933.99
Mount Juliet	Wilson	Middle	39,289	724,574.38
Mount Pleasant	Maury	Middle	4,784	88,227.34
Mountain City	Johnson	East	2,415	44,537.84
Munford	Tipton	West	6,302	116,222.55
Murfreesboro	Rutherford	Middle	152,769	2,817,391.74
Nashville-Davidson	Davidson	Middle	689,447	12,714,898.21
New Hope	Marion	East	987	18,202.42
New Johnsonville	Humphreys	Middle	1,804	33,269.67
New Market	Jefferson	East	1,349	24,878.49
New Tazewell	Claiborne	East	2,769	51,066.37
Newbern	Dyer	West	3,349	61,762.82
Newport	Cocke	East	6,868	126,660.82
Niota	McMinn	East	772	14,237.35
Nolensville	Williamson	Middle	13,829	255,036.76
Normandy	Bedford	Middle	108	1,991.75
Norris	Anderson	East	1,599	29,489.03
Oak Hill	Davidson	Middle	4,891	90,200.65
Oak Ridge	Anderson	East	31,402	579,121.00
Oakdale	Morgan	East	191	3,522.45
Oakland	Fayette	West	8,936	164,799.22
Obion	Obion	West	991	18,276.19
Oliver Springs	Anderson	East	3,297	60,803.83
Oneida	Scott	East	3,787	69,840.49
Orlinda	Robertson	Middle	947	17,464.73
Orme	Marion	East	87	1,604.47
Palmer	Grundy	Middle	551	10,161.64
Paris	Henry	West	10,316	190,249.42
Parker's Crossroads	Henderson	West	284	5,237.58
Parrottsville	Cocke	East	217	4,001.95
Parsons	Decatur	West	2,100	38,728.56
Pegram	Cheatham	Middle	2,072	38,212.17
Petersburg	Lincoln	Middle	528	9,737.47
Philadelphia	Loudon	East	607	11,194.40
Pigeon Forge	Sevier	East	6,343	116,978.68
Pikeville	Bledsoe	East	1,824	33,638.52
Piperton	Fayette	West	2,263	41,734.63
Pittman Center	Sevier	East	454	8,372.74

Attachment: Restore Return and Relief (3270 : Res. 01-23 Support of Historic Revenue Sharing Restoration)

**These Estimated Revenues Reflect the Increase in State Shared Sales Tax
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Plainview	Union	East	2,060	37,990.87
Pleasant Hill	Cumberland	East	540	9,958.77
Pleasant View	Cheatham	Middle	4,807	88,651.51
Portland	Sumner	Middle	13,156	242,625.18
Powells Crossroads	Marion	East	1,296	23,901.05
Pulaski	Giles	Middle	8,397	154,858.89
Puryear	Henry	West	706	13,020.17
Ramer	McNairy	West	325	5,993.70
Red Bank	Hamilton	East	11,899	219,443.37
Red Boiling Springs	Macon	Middle	1,205	22,222.81
Ridgely	Lake	West	1,690	31,167.27
Ridgeside	Hamilton	East	446	8,225.21
Ridgetop	Robertson	Middle	2,155	39,742.87
Ripley	Lauderdale	West	7,800	143,848.92
Rives	Obion	West	246	4,536.77
Rockford	Blount	East	822	15,159.46
Rockwood	Roane	East	5,444	100,399.17
Rocky Top	Anderson	East	1,628	30,023.85
Rogersville	Hawkins	East	4,671	86,143.37
Rossville	Fayette	West	1,041	19,198.30
Rutherford	Gibson	West	1,163	21,448.24
Rutledge	Grainger	East	1,321	24,362.11
Saltillo	Hardin	West	420	7,745.71
Samburg	Obion	West	210	3,872.86
Sardis	Henderson	West	414	7,635.06
Saulsberry	Hardeman	West	112	2,065.52
Savannah	Hardin	West	7,213	133,023.37
Scotts Hill	Henderson	West	877	16,173.78
Selmer	McNairy	West	4,446	81,993.88
Sevierville	Sevier	East	17,889	329,911.96
Sharon	Weakley	West	935	17,243.43
Shelbyville	Bedford	Middle	23,557	434,442.18
Signal Mountain	Hamilton	East	8,852	163,250.08
Silerton	Chester	West	97	1,788.89
Slayden	Dickson	Middle	170	3,135.17
Smithville	DeKalb	Middle	5,004	92,284.61
Smyrna	Rutherford	Middle	53,070	978,725.92
Sneedville	Hancock	East	1,282	23,642.86
Soddy-Daisy	Hamilton	East	13,070	241,039.15
Somerville	Fayette	West	3,415	62,980.01
South Carthage	Smith	Middle	1,490	27,478.83
South Fulton	Obion	West	2,245	41,402.67

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South Pittsburg	Marion	East	3,106	57,281.38
Sparta	White	Middle	4,998	92,173.96
Spencer	Van Buren	Middle	1,462	26,962.45
Spring City	Rhea	East	1,949	35,943.79
Spring Hill	Williamson	Middle	50,005	922,200.67
Springfield	Robertson	Middle	18,782	346,380.82
St. Joseph	Lawrence	Middle	790	14,569.31
Stanton	Haywood	West	417	7,690.38
Stantonville	McNairy	West	335	6,178.13
Sunbright	Morgan	East	519	9,571.49
Surgoinsville	Hawkins	East	1,882	34,708.16
Sweetwater	Monroe	East	6,312	116,406.97
Tazewell	Claiborne	East	2,348	43,302.21
Tellico Plains	Monroe	East	762	14,052.93
Tennessee Ridge	Houston	Middle	1,332	24,564.97
Thompson's Station	Williamson	Middle	7,485	138,039.64
Three Way	Madison	West	1,877	34,615.95
Tiptonville	Lake	West	3,976	73,326.06
Toone	Hardeman	West	270	4,979.39
Townsend	Blount	East	550	10,143.19
Tracy City	Grundy	Middle	1,406	25,929.69
Trenton	Gibson	West	4,240	78,194.80
Trezevant	Carroll	West	799	14,735.29
Trimble	Dyer	West	547	10,087.87
Troy	Obion	West	1,423	26,243.21
Tullahoma	Coffee	Middle	20,339	375,095.28
Tusculum	Greene	East	3,298	60,822.27
Unicoi	Unicoi	East	3,833	70,688.83
Union City	Obion	West	11,170	205,999.03
Vanleer	Dickson	Middle	374	6,897.37
Viola	Warren	Middle	93	1,715.12
Vonore	Monroe	East	1,574	29,027.97
Walden	Hamilton	East	1,981	36,533.94
Wartburg	Morgan	East	848	15,638.96
Wartrace	Bedford	Middle	653	12,042.74
Watauga	Carter	East	353	6,510.09
Watertown	Wilson	Middle	1,553	28,640.69
Waverly	Humphreys	Middle	4,297	79,246.00
Waynesboro	Wayne	Middle	2,317	42,730.51
Westmoreland	Sumner	Middle	2,718	50,125.82
White Bluff	Dickson	Middle	3,862	71,223.66
White House	Robertson	Middle	12,982	239,416.24

**These Estimated Revenues Reflect the Increase in State Shared Sales Tax Each Municipality Would Have Received if Our Legislation Was Enacted Last Year*

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Name	County	Grand Division	2021 Population	*Estimated State Shared Sales Tax Revenue Increase (FY21-22)
White Pine	Jefferson	East	2,471	45,570.60
Whiteville	Hardeman	West	2,606	48,060.29
Whitwell	Marion	East	1,641	30,263.60
Williston	Fayette	West	349	6,436.32
Winchester	Franklin	Middle	9,375	172,895.34
Winfield	Scott	East	947	17,464.73
Woodbury	Cannon	Middle	2,703	49,849.18
Woodland Mills	Obion	West	346	6,380.99
Yorkville	Gibson	West	236	4,352.35

Attachment: Restore Return and Relief (3270 : Res. 01-23 Support of Historic Revenue Sharing Restoration)

**These Estimated Revenues Reflect the Increase in State Shared Sales Tax
Each Municipality Would Have Received if Our Legislation Was Enacted Last Year*

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THE STATE OF TENNESSEE HAS THE RESOURCES TO

RESTORE THE HISTORIC REVENUE SHARING RELATIONSHIP

Over the last 20 years, the state has realized about \$913 million in state sales tax revenues that would have benefitted municipal residents had the historic sharing of state sales tax not been altered in 2002.

Municipalities are the economic engine of our state. Last fiscal year (Fiscal Year 2021-2022), \$8.3 billion in state sales tax collections were generated within municipalities. On average, about 90% of the state sales tax realized on in-state purchases is generated within a city or town.

The sharing of a portion of the state's sales tax was initiated in 1947. This sharing relationship was established in recognition of the tax burden borne solely by municipal residents that is associated with constructing and maintaining infrastructure, establishing and operating services, and creating and supporting an environment that allows for the continued generation of these vital state revenues. This sharing relationship is intended to provide municipal taxpayers protection against "being oppressed by heavy local taxation" and to "obtain a satisfactory and orderly operation of their municipal government." In short, state-shared sales tax is a relationship, whereby the state has agreed to return a portion of the sales tax revenues that accrue to its benefit to the communities where it was generated, for the purposes of offsetting the costs of municipal services and operations and providing relief to the municipal taxpayers whose local taxes fuel the engine and allow for the continued generation of state revenues.

Last fiscal year, the state returned \$452 million in state sales tax collections to the residents of the 345 municipalities in which \$8.3 billion in state sales tax collections were generated. This means that the state returned about 5.5% of the revenues generated within municipalities last year. If TML's proposal to restore the historical sharing relationship had been in effect last fiscal year, then the state would have returned an estimated \$78 million in additional state sales tax revenues to municipalities, or 6.4% of the state sales tax revenues generated within cities and town.

On its face, \$78 million sounds like a lot of money. And it is. But the State's has enjoyed eight (8) consecutive years of peak fiscal performance and surplus revenues. Since the 2009 economic downturn, the governors and the General Assemblies have worked together to increase the State's rainy-day fund by \$1.1 billion and to bolster unrestricted budgetary reserves to \$9.3 billion. In addition, the State has an estimated \$3.14 billion in unobligated recurring revenues.

So how much is \$78 million in the context of the state's fiscal picture?

Well, it is....

- About 2 ½ pennies out of every dollar of the estimated \$3.14 billion in unobligated recurring revenues available in the current fiscal year.
- 1/3 of the amount of state sales tax revenues realized above what was forecast for just the month of July 2022.
- About 3% of the sales tax revenues received in excess of the amount anticipated.
- Less than 1% of last year's total state sales tax revenues.
- 0.4% of the state's projected general fund revenues for the upcoming year.
- 4.2% of the estimated revenue growth for Fiscal Year 2022-2023.

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COMPARISON OF STATE SALES TAX GROWTH AND LOCAL OPTION SALES TAX GROWTH

Based on sales tax collection data provided by Tennessee Department of Revenue for FY'21-'22

A few have questioned the immediacy of the need to restore the historical sharing of state sales tax collections with municipalities that had been observed for fifty-five (55) years, prior to adoption of the austerity measures in 2002. One of the justifications offered by these few for their hesitance to restore the historical sharing relationship between the state and municipalities is the fact that the state continues to enjoy the benefits of a substantial overcollections of sales tax dollars. As municipalities also levy a local option sales tax, these few have concluded that cities are deriving equal benefit from the abundance. This document seeks to provide background information on the local option sales tax and an analysis of the performance of the municipal levy in Fiscal Year 2021-2022 in an effort to create context and perspective surrounding the assumption inherent in the views offered by these few.

Last fiscal year, the state again realized a year-over-year increase in state sales tax collection. The state experienced a 16.4% rate of growth in such collections. Our analysis revealed that it is shortsighted to assume that because the state experienced substantial growth, then its municipalities experienced similar or proportional growth. While most cities also experienced a growth in sales tax revenues, the data suggests very few grew at exactly the same rate as the state. In fact, some municipalities experienced growth at a higher rate than the state. Other municipalities saw their rate of growth fall below that of the state. Some municipalities experienced negative growth. Moreover, it is unwise to draw any conclusions based solely on a simple comparison of the state's rate and that of a specific municipality. For example, City A may have seen its local option sales tax revenues increase by 85% from the previous year's collections. Clearly, the growth experienced by City A would be significantly larger than that of the state. Yet, given the population, commercial base and sales tax rate of City A, the substantial percentage increase may have only generated an increase of a couple thousand dollars. It is all relative.

Municipalities with Rate of Growth Below State's Rate of Growth

- 241 cities, or about 70% of all municipalities, realized a growth rate less than the state's rate of growth
- 25 cities experienced zero growth or a negative rate of growth
- 140 cities experienced a rate of growth in the single digits.
- 96 cities realized a rate of growth that was less than half that of the state – average population for these 96 cities was 3,950.

Municipalities Under 50,000 with Rate of Growth Below State's Rate of Growth

- 72% of the municipalities under 50,000 in population realized a rate of growth that was less than that realized by the state.
- 190 cities, or 55% of all cities, that experienced growth at a rate below the state have a population under 10,000. 161 of these 190 cities have a population of less than 5,000.

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Municipalities with Rate of Growth Above State's Rate of Growth

- Less than 30% of all cities experienced growth rate greater than state rate of growth
- 40% of the 104 cities that realized growth rate in excess of the state's rate of growth saw an increase in sales tax collections of less than \$100,000 – on average, the increase in sales tax collections realized was just \$38,566.
- The highest rate of growth was seen in Slayden, which grew by 192%. This 192% growth netted the Town of Slayden an increase of \$10,630 in sales tax collections.

Municipalities under 5,000 in Population with Rate of Growth Above the State's Rate of Growth

- 78 cities with population less than 5,000 saw rate of growth that was greater than that of the state.
- More than one-third of these cities under 5,000 realized a net increase of less than \$50,000 in sales tax collections.
- About one-quarter of these cities realized a net increase of less than \$20,000 in sales tax collections
- The largest of these cities under 5,000 to realize a rate of growth in excess of the state's was Oak Hill with a population of 4,891. The smallest was Cottage Grove with a population of 66.
- Largest rate of growth experienced by a municipality with a population under 5,000 and located outside the four largest counties was the City of Trenton with a rate of growth of 27.4% growth for a \$472,965 increase in local option sales tax collections. The smallest increase in the rate of growth for a city under 5,000 and located outside the four largest counties was the City of Friendsville with a rate of growth of 16.5% for an increase of \$69,240.
- Largest gain in revenues for a municipality with a population of less than 5,000 that is located outside the four largest counties was the City of Piperton with \$967,665 in increased local option sales tax collections while Orme realized the smallest gain with an increase of just \$447.

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STATE ENACTED REDUCTIONS / INCREASES IN MUNICIPAL REVENUES

2012 – 2018

Between 2012 and 2018 the state enacted a number of measures that altered municipal revenues. Legislative changes to the application of the sales tax to food items, increases in the Hall Tax income exemption threshold, and changes to the Hall Tax rate resulted in a substantial recurring loss in municipal revenues. In addition, the adoption of the Improve Act and its phased increase in the rate of tax applied to motor fuel purchases increased fuel revenues shared with municipalities.

The charts that follow provide an itemized look at each of these enacted measures and its corresponding effect on municipal revenues.

Estimated Impact According to Fiscal Notes

Losses	TOTAL
12-13 Food Tax Reduction (5.5% to 5.25%).....	(10,640,690.00)
13-14 Food Tax Reduction (5.25% to 5%).....	(10,369,233.00)
IMPROVE Food Tax Reduction (5% to 4%).....	(28,806,000.00)
12-13 Hall Exemption Threshold.....	(5,250,272.90)
13-14 Hall Exemption Threshold.....	(6,136,605.00)
15-16 Hall Exemption Threshold.....	(3,105,445.00)
16-17 Hall Rate Reduction (6% to 5%).....	(75,417,120.00)
17-18 IMPROVE Hall Rate Phase-Out.....	(234,067,968.00)
Various Exemptions Not Held Harmless.....	-
Total Annual Loss.....	(373,793,333.90)
Increases	
IMPROVE 17-18 Gasoline Tax Increase.....	86,918,800.00
IMPROVE 18-19 Gasoline Tax Increase.....	17,383,760.00
IMPROVE 19-20 Gasoline Tax Increase.....	13,037,820.00
IMPROVE 17-18 Motor Fuel Tax Increase.....	18,787,171.76
IMPROVE 18-19 Motor Fuel Tax Increase.....	11,272,303.06
IMPROVE 19-20 Motor Fuel Tax Increase.....	8,454,227.29
Local Support Grants.....	100,000,000.00
Local Government Recovery & Rebuilding.....	50,000,000.00
Total Annual Gain.....	305,854,082.12
Net Policy Gain (Loss).....	(67,939,251.78)

The second chart represents the effect of each provision as reflected in the **actual impact** of these provisions as determined by a review of the Tennessee Department of Revenue collections data. This analysis reveals that municipalities realized a \$506.2 million reduction in revenues and an increase of \$320 million increase in fuel revenues as a result of measures adopted during this period. **The actual impact of \$506 million in revenue losses is \$133 million more than the losses estimated at \$373 million.**

The first chart represents the **estimated impact** in the fiscal note presented at the time of adoption. According to this chart, municipalities were estimated to suffer a net reduction in recurring revenues of \$373.8 million, while experiencing a net gain of \$305.85 million in fuel revenues. Although it is tempting to net these combined reductions and increases, one must remember that fuel revenues may only be used for specific transportation infrastructure needs.

Actual Impact of Provisions

Losses	TOTAL
12-13 Food Tax Reduction (5.5% to 5.25%).....	(14,073,607.60)
13-14 Food Tax Reduction (5.25% to 5%).....	(12,932,739.54)
IMPROVE Food Tax Reduction (5% to 4%).....	(31,600,553.98)
12-13 Hall Exemption Threshold.....	(9,059,847.43)
13-14 Hall Exemption Threshold.....	(8,370,209.58)
15-16 Hall Exemption Threshold.....	(4,051,100.59)
16-17 Hall Rate Reduction (6% to 5%).....	(125,790,593.40)
17-18 IMPROVE Hall Rate Phase-Out.....	(300,289,335.30)
Various Exemptions Not Held Harmless.....	-
Total Annual Loss.....	(506,167,987.42)
Increases	
IMPROVE 17-18 Gasoline Tax Increase.....	83,782,657.15
IMPROVE 18-19 Gasoline Tax Increase.....	16,711,943.09
IMPROVE 19-20 Gasoline Tax Increase.....	12,435,601.36
IMPROVE 17-18 Motor Fuel Tax Increase.....	27,526,670.24
IMPROVE 18-19 Motor Fuel Tax Increase.....	16,728,108.83
IMPROVE 19-20 Motor Fuel Tax Increase.....	12,719,625.11
Local Support Grants.....	100,000,000.00
Local Government Recovery & Rebuilding.....	50,000,000.00
Total Annual Gain.....	319,904,605.78
Net Policy Gain (Loss).....	(186,263,381.64)

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BEHIND THE LOCAL OPTION SALES TAX RATE

Municipalities are authorized to levy a local option sales tax on sales occurring within their jurisdictional limits, provided such levy does not exceed the maximum allowable rate. However, there are several factors that combine to result in a municipality realizing less revenue from each qualifying sale than would be assumed by multiplying the sales price by the maximum local option sales tax rate. Those factors include the specific rate at which a municipality levies a sales tax, the effect of statutorily required commissions, the redirection of associated revenues to the local education agency and the effect of the statutorily imposed cap on the amount of the purchase price of a single item that is subject to the local option sales tax.

Local Option Sales Tax Rates

The state's municipalities are authorized to levy a local option sales tax on purchases occurring within their incorporated limits. By law, such levy may not exceed 2.75%. Currently, the vast majority of cities and towns levy the local option sales tax at a rate of 2.75%. However, one-third of all municipalities levy at a rate below the 2.75% maximum allowable rate, as detailed in the chart below.

Local Option Rates	# Municipalities Levying at Rate
1.50%	1
1.75%	2
2.00%	7
2.25%	83
2.50%	22
2.75%	230

Effect of Statutorily-Imposed Commissions

Municipal local option sales tax collections are subject to two statutorily-imposed commissions. The first is a commission due to the Tennessee Department of Revenue that is equal to 1.125% of a municipality's total sales tax collections before any other commissions or deductions. The second commission is due to the county trustee and is applied to a municipality's total remaining collections, after the state's commission and the reduction for education have been applied. The county trustee's commission is assessed at 2%. These commissions are a relic of the past and harken to the days when such transactions were manually calculated, recorded and disbursed. Now, collections are routed from the vendor to the state and back to the county and then to the city within minutes, by electronic transfer.

Redirection of Municipal Sales Tax Collection for Education

In addition to the aforementioned commissions, the law provides that half of a municipality's collections must be redirected to the local education agency. Clearly, under our state's constitution, public education is the responsibility of the state. The state earmarks a

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portion of the state's sales tax collections as well as other independent expenditures to fund the education funding formula. In addition, the law requires that half of all collections deriving from the locally-levied sales tax be redirected to the local education agency. The redirection of these local sales tax collections is another means by which the state has elected to finance its obligation to public education. As a result, this redirection effectively reduces the amount of sales tax revenue a local government may realize from its levy by half. It should also be understood that this redirection would apply to any future increase that may be sought by the 115 cities not currently levying the maximum allowable sales tax rate.

Effect of Single Article Cap

In addition to the commissions and the redirection of local sales tax revenues to education, the existence of a statutory cap on the amount of the purchase price of a single item that is subject to the local option sales tax also limits the amount of sales tax revenue that may be realized by a municipality ("Single Article Cap"). For the last 30 years, this statutory cap has been set at \$1,600. This cap is the subject of a proposal included in this packet for the governor's consideration and is fully discussed in those pages. The cap was raised to \$1,600 in 1990 and raised again in 2002 to \$3,200. However, an additional change made in 2002 altered the relationship as well as the allocations, resulting in locals not deriving any benefit from the increase. As a result, the maximum revenues a local government may realize on the sale of any item has remained at \$22 for the last 30 years.

Review of the Numbers

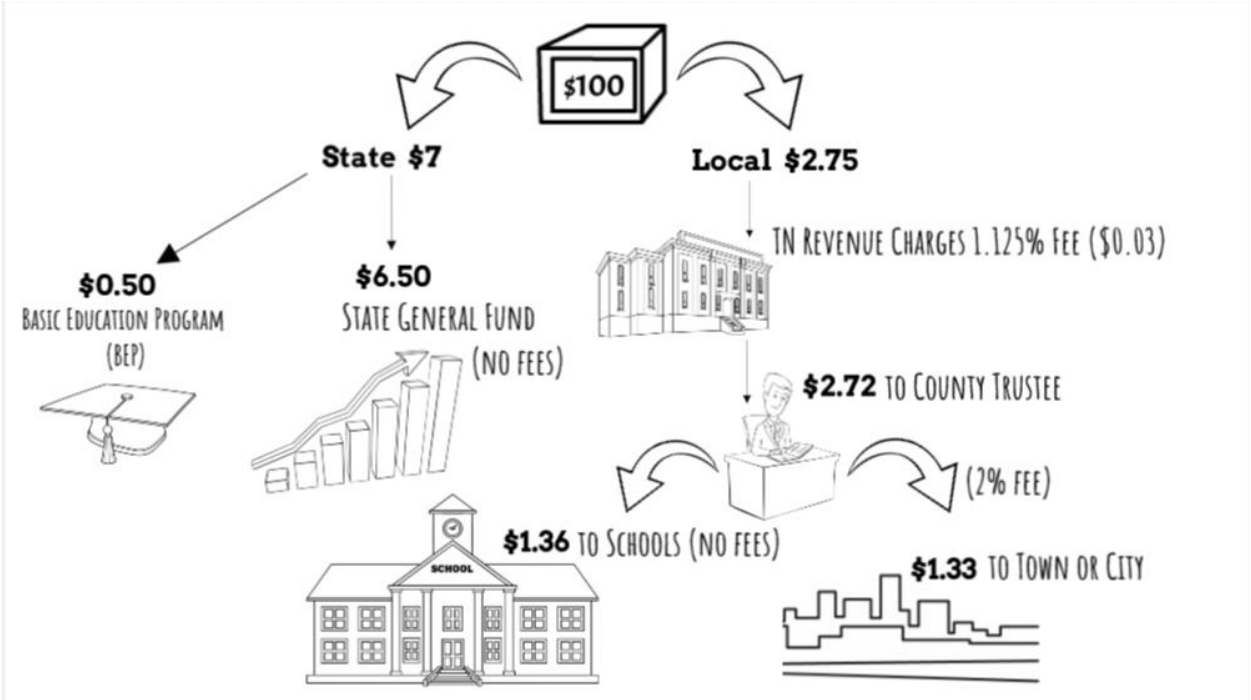
On the following page, one will find a demonstration of the flow of the state and local option sales tax collections from the vendor to its ultimate return to the municipality. In addition, one will find a table that clearly demonstrates the effects of the commissions as well as the redirection of collections to education on municipal sales tax revenues. This chart is based on actual collections data for last fiscal year.

In summary, the chart informs that municipalities collectively generated \$3.4 billion in sales tax collections last year. The state's commission resulted in a reduction of \$41.9 million. The statutory redirection of collections for education resulted in an addition \$1.68 billion reduction in collections. The trustee commission accounted for another \$33.5 million reduction in municipal sales tax collections. Thus, of the roughly \$3.4 billion in local sales tax dollars collectively generated by municipalities last year, municipalities ultimately realized just \$1.64 billion in local sales tax revenues. Or said another way, for every \$100 dollars in municipal sales tax collections generated last year, municipalities realized only \$48.40 in revenues. The remaining \$51.60 of every \$100 in municipal sales tax collections is lost to commissions in addition to funding for education.

The combined effect of the state's commission and the trustee's commission effectively reduces the maximum allowable municipal sales tax rate from 2.75% to 2.67%. When the redirection of municipal sales tax collections to education is added to the effect of the commissions, the maximum allowable municipal sales tax rate is effectively reduced from 2.67% to 1.33%. The effective rate would be lower for the 115 cities with a local option sales tax rate below the maximum rate of 2.75%.

Example: \$100 sale is made. The state’s 7% rate and a maximum Local Option Sales Tax rate of 2.75% is applied. The chart below demonstrates the flow of sales tax revenues.

Notably, the Local Option Sales Tax is subject to two fees: a commission by TN Revenue and a fee by the County Trustee.



The table below shows the impact of the two fees on Local Option Sales Tax revenues:

	FY2021-2022 Municipal Local Option Collections		
	With Fees	Without Fees	Variance
Total Local Option Collected w/in Municipalities.....	3,394,469,428.34	3,394,469,428.34	-
Revenue Administration Fee (1.125%).....	(41,907,029.98)	-	41,907,029.98
Total Municipal LOST Collections Sent to County Trustees.....	3,352,562,398.36	3,394,469,428.34	41,907,029.98
1st Half - Dedicated to Schools.....	1,676,281,199.18	1,697,234,714.17	20,953,514.99
County Trustee Fee (0%).....	-	-	-
Total To Schools.....	1,676,281,199.18	1,697,234,714.17	20,953,514.99
2nd Half - Sent to Municipalities by Situs.....	1,676,281,199.18	1,697,234,714.17	20,953,514.99
County Trustee Fee (2%).....	(33,525,623.98)	-	33,525,623.98
Total To Municipalities.....	1,642,755,575.20	1,697,234,714.17	54,479,138.97
Total Fees.....	75,432,653.96	-	-

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BREAKDOWN OF MUNICIPAL POPULATIONS

Tennessee has 345 incorporated cities and towns.

- According to the most recent certified population updates, Tennessee's 4.2 million municipal residents comprise 61% of the state's total population.
- 313 of Tennessee's municipalities have a population of less than 20,000.
- 7 out of 10 municipalities in Tennessee have a population of less than 5,000.

Population Range	# of Municipalities within Range	Total Population	% of Municipalities within Range
100,000 and above	6	2,013,881	1.7%
50,000 – 99,999	9	552,085	2.6%
20,000 – 49,999	17	581,920	4.9%
10,000 – 19,999	30	392,948	8.7%
5,000 – 9,999	42	286,502	12.2%
0 – 4,999	241	357,285	69.8%
Total	345	4,184,621	

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Allow Local Governments to Receive Local Share of Sales Tax Collected Between \$1,600- \$3,200

Background

In 2002, during difficult budget times, the state doubled the amount of the purchase price of an individual sale item that is subject to the combined state and local option sales tax (9.75%) from \$1,600 to \$3,200. In addition, the state altered the distribution of the associated sales tax collections.

Under the altered arrangement, the state receives its full 7% levy and local government continues to receive its local levy on the first \$1,600 of the purchase price of an item. However, the state retains 100 percent of its 7% levy as well as 100 percent of the levy that is customarily reserved for local government (2.75%) on the sale of items with a purchase price above \$1,600.

Issue

Twenty years later, the threat of a fiscal crisis is a distant memory. Yet, this austerity measure remains in place.

Last year, alone, the state received \$74 million in sales tax revenues that were generated by the additional 2.75 % levy on items with a purchase price above \$1,600. As a result, nearly \$37 million in sales tax revenues were diverted from local school systems and another \$37 million was diverted from local governments.

Since its adoption in 2002, this measure has resulted in the state realizing more than \$1 billion in sales tax collections - revenues that would have benefited the city, county and school system where these purchases occurred had the change not been enacted.

Remedy

Reverse this 20-year old measure to provide needed revenues for cities, counties and school systems.

The returned revenue would provide relief to local taxpayers and assist local governments to meet increasing demand for services, to continue to provide an environment that has enabled existing business and industry to succeed, to continue to promote economic expansion, and to continue to afford residents a high quality of life.

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ALLOW LOCAL GOVERNMENTS TO RECEIVE LOCAL SHARE OF LOCAL SALES TAX LEVIED ON ALL PURCHASES BETWEEN \$1,600 - \$3,200 (EXPLANATION WITH GRAPHICS)

Single Article Cap

The Sales Tax in Tennessee has two main components: a state rate of 7% and a “Local Option Sales Tax” rate between 1.5% and a maximum of 2.75%. Local governments in Tennessee (municipalities and counties) are authorized to adopt a Local Option Sales Tax rate between 2 and 2.75%. The Local Option Sales Tax was created to fund local governments’ activities and operations as well as supplement local educational budgets. Although collected simultaneously, Local Option Sales Tax revenues are treated differently than revenues collected under the 7% sales tax levied by the state.

Under Tennessee law, there is a statutory limit on the amount of the sales price of any single item that is subject to the Local Option Sales Tax. This limit is called the “Single Article Cap.” The Single Article Cap does not apply to the state’s sales tax. The state’s full 7% sales tax rate applies to the full sales price of all items, without limits.

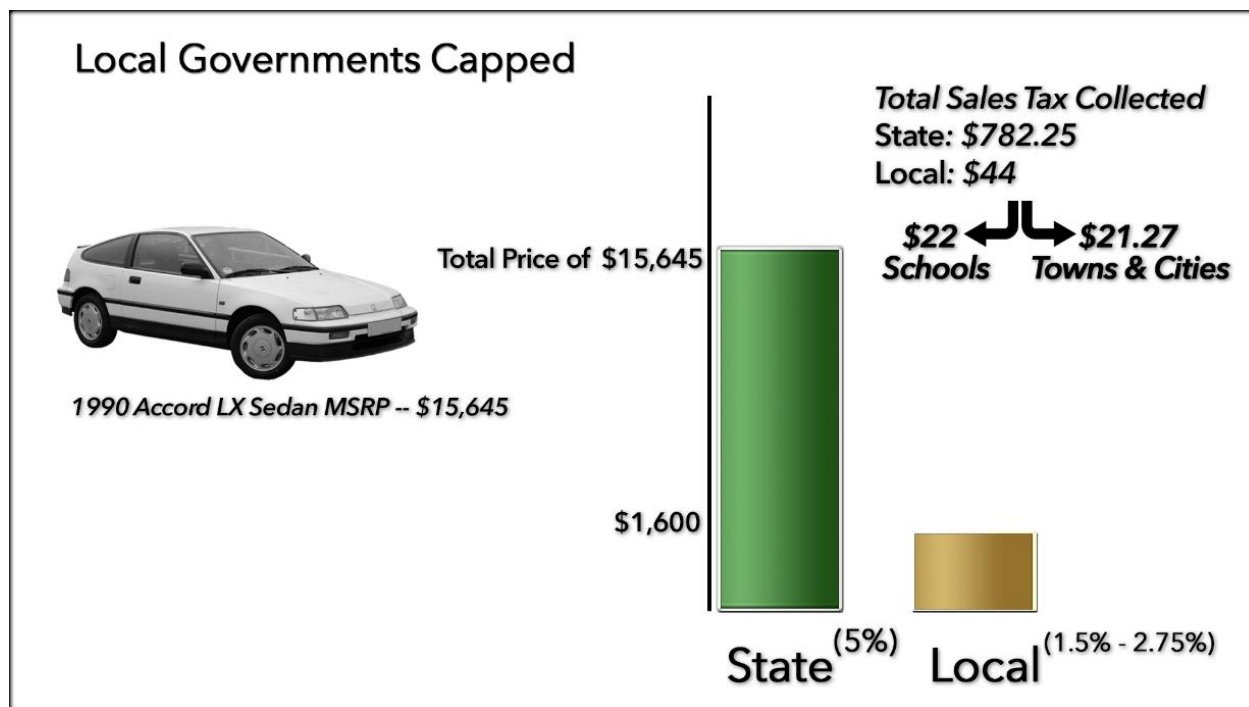
Sales Tax Grows with Inflation

Tennessee’s reliance on the sales tax as the primary source of funding government has many advantages, including an ability to grow with inflation: as the price of goods increases more sales tax revenue is collected proportionally. This allows revenues to keep up with the cost of providing services. Just as you are paying more each year for a gallon of milk at the store, the cost to your local government to pave that pothole on main street also increases year to year.

This is true for the state as the Single Article Cap doesn’t apply to the 7% levied statewide. However, for local governments and the levy of the Local Option Sales Tax, the Single Article Cap inhibits local governments’ ability to grow with inflation for all purchases of items above the cap – thereby largely negating one of the primary benefits of sales tax to local governments.

Examples

In 1990, the Single Article Cap on Local Option Sales Tax was raised by the state to \$1,600. Thus, when a sale occurred in Tennessee the rate the local sales tax was levied at the locally-adopted rate but applied only to the first \$1,600 of any single item purchased. When one purchased a more expensive item, like a car, the state levied its 5% (1990 state rate) sales tax on the full sale price of the car, but the Local Option Sales Tax would have been applied only to the first \$1,600 of the cost of the car.



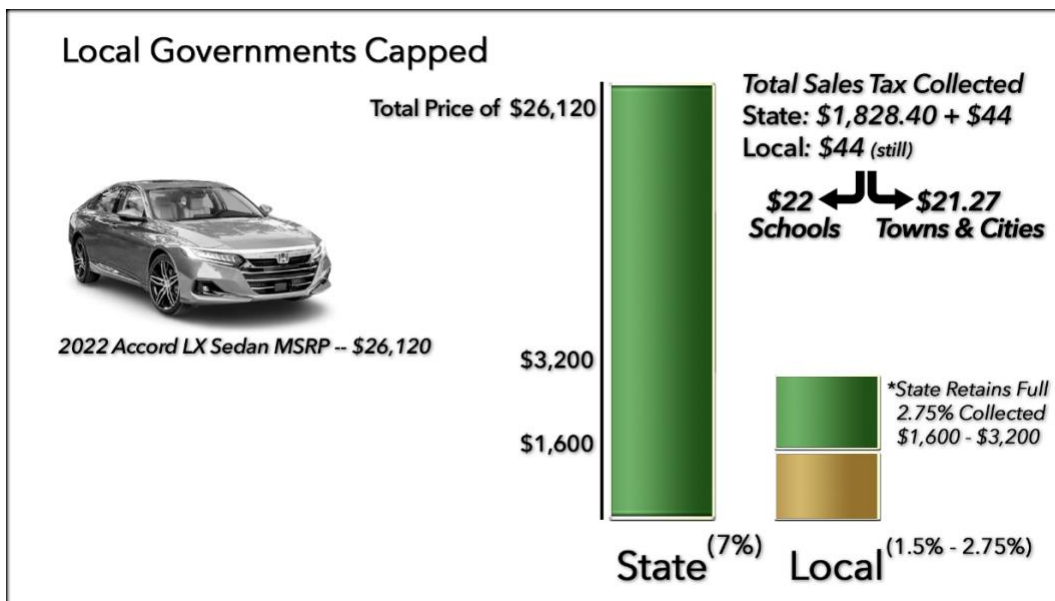
In the image above the state receives sales tax revenues on the full sale price of \$15,645 at its rate of 5% (1990 state sales tax rate), and \$782.25 in revenue is collected for the state's General Fund. As the statutory Single Article Cap limits the amount of sales price that is subject to the Local Option Sales Tax, then the maximum local revenue that could be generated from a sale is capped at \$44 (2.75% of \$1,600). That \$44 would have been divided into two equal shares with half distributed to the local school system and the remaining half to either the city, town or county in which the sale occurred. As such, local schools would have derived the benefit of \$22 of the \$44 in Local Option Sales Tax revenues on an item with a purchase price of \$1,600, but because of a fee taken out by the Tennessee Department of Revenue and a second fee taken by the County Trustee, only \$21.27 in local revenue would have been returned to the town, city, or county where the item was purchased to fund governmental expenses.

In 2002, the Single Article Cap on Local Option Sales Tax was raised by the state from \$1,600 to \$3,200. In addition, the state claimed all new Local Option Sales Tax revenues associated with the levy on items with a purchase price between \$1,600 and \$3,200. This 2002 change, which altered the historic relationship between the state and local government, was made in response to an impending budget crisis and out of a desire to avoid the imposition of a state income tax.

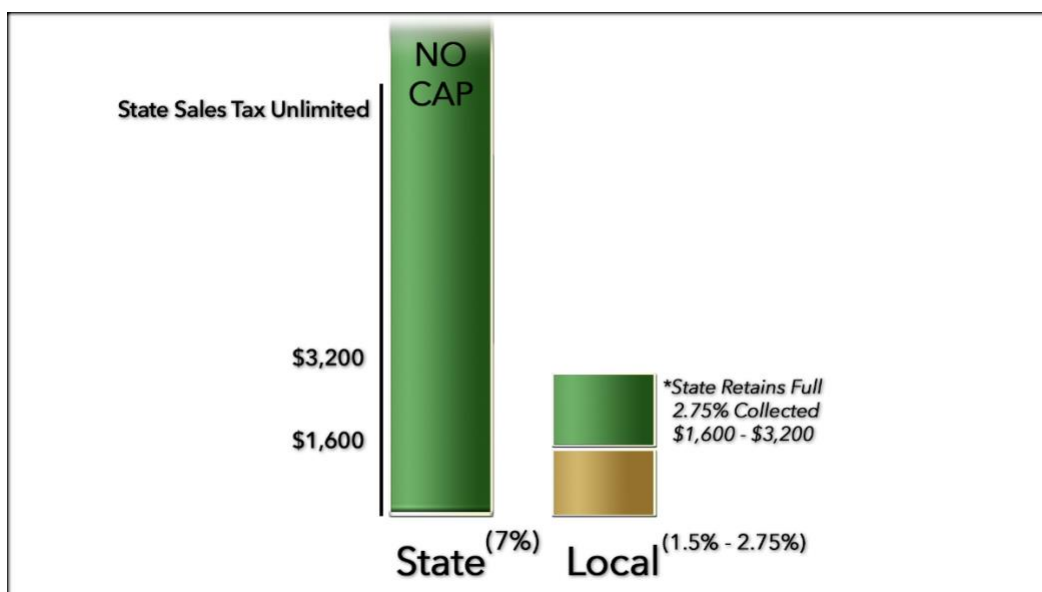
For 20 years the Local Option Sales Tax rate has applied only to the first \$3,200 of any single item purchased. Today, when someone purchases an expensive item, like a car, the state receives 7% (current state sales tax rate) of the full sale price in sales tax revenue. The local sales tax is applied only to the first \$3,200 of the cost of the car. Although the Local Option Sales Tax is levied on the first \$3,200 of cost of the car, the local community in which the car was purchases only derives the benefit of the local levy on the first \$1,600. The state, on the other hand, derives all of its levy (7%) as well as all of the local sales tax revenues on the second half of the car purchase (\$1,600-\$3,200).

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In the image above the state receives sales tax revenues on the full sale price of \$26,120 at its rate of 7% (2022 rate, \$1,828.40). Local governments still receive sales tax revenues associated with their local levy on the first \$1,600 of the sale price, a maximum potential revenue of \$44 – half (\$22) of which is distributed to the local school system. But the state also receives all local sales tax revenues associated with the levy on the purchase price in excess of \$1,600 and the current cap of \$3,200 (\$44) – which is not shared with local school system. Despite having increased amount of the sale price of an item that is subject to the Local Option Sales Tax from \$1,600 to \$3,200 in 2002, the accompanying change in the historical relationship has effectively frozen the maximum local sales tax revenue that may be realized under the Local Option Sales Tax at \$44 since 1990. Remember, that \$44 is still shared with local schools and is subject to two fees which further reduces the amount of sales tax revenues local governments ultimately receive.



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In the image above the state has no cap, and the state's 7% sales tax rate is collected on the full value of any single item purchased in the state. As the price of cars, boats, appliances, furniture, and all other items increases the state captures sales tax revenues in parallel with inflation. The state also captures up to an additional \$44 of Local Option Sales Tax revenue on those items between \$1,600 and \$3,200 when applicable. Local governments' sales tax levy remains capped at the same \$1,600 set in 1990.

The Single Article Cap prevents the Local Option Sales Tax revenues from growing in a manner that corresponds with inflation. **In the image below**, revisiting our previous examples, the amount of sales tax revenue the state collects has increased as the price of the car has increased significantly over 32 years. However, the maximum potential sales tax any local government may realize from any single purchase has been capped at the same \$44 for 32 years.

Local Governments Capped



1990 Accord LX Sedan MSRP -- \$15,645

State Sales Tax Grows with Inflation
Local Option Sales Tax Doesn't with Cap

1990
Total Sales Tax Collected
State: \$782.25
Local: \$44



2022 Accord LX Sedan MSRP -- \$26,120

2022
Total Sales Tax Collected
State: \$1,828.40 + \$44
Local: \$44 (still)

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OUTREACH CAMPAIGN - A CALL TO ACTION

Restore, Return, Relief is a public education campaign designed to build awareness and support for the Tennessee Municipal League's legislative initiative to return essential revenues to Tennessee municipalities and the citizens they serve. Involvement from our members play a significant role in this endeavor. A statewide, grassroots effort gives cities strength in numbers and one voice with the legislature.

What Can You Do?

Implore State Officials. Meet with state legislators and seek their commitment to cosponsor and pass these bills that help all of Tennessee's cities and town. Use the revenue gain estimates found in the sheets below to explain to your legislators what this recurring revenue means for your community and their constituents. Push back against the suggestion that recent federal spending on infrastructure and COVID relief compare to the growth of recurring sales tax revenues staying local for years to come. **Report back to TML your contacts with legislators and provide feedback on those discussions.**

Tell Your Story As Only You Can

What would restoration, return and relief mean to your community?

- Relate your own budget situation – challenges, pressures, inadequacies
- Relate how you've used state grants and benefit to city
- Relate how you plan to use federal funds and anticipated benefit to city
- Relate how recurring revenues will allow you to respond to budgetary challenges, pressures and inadequacies that you couldn't do with one-time funds. Give specific examples.

Engage Your Local Media Outlets. Speak to editorial boards. Submit letters to the editor. Draft a guest column. Invite local newspaper and television to cover presentation at regularly scheduled meeting of the governing body. Host luncheon for local media and make presentation being certain to highlight local impact and benefits.

Enlist Your Community. Meet with local business leaders and merchants. Deliver presentation to local civic groups and organizations. Distribute materials to local social media outlets and websites hosted or utilized by local civic groups and organizations. Post materials on municipal websites. Post to social media chat rooms and twitter communities followed by local residents. Use online forums and message boards.

Some suggested community groups include: local chambers, Rotary, Kiwanis, Optimist, Lions, Homeowner's Associations, Historical Associations, Book Clubs and Garden Clubs.

RESTORE RETURN RELIEF

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Sample Press Release

City officials join call for return of sales tax funds

[Your city or town], Tenn. --- [Your city council or board] is joining with others cities across the state in a movement to urge state lawmakers to pass legislation that would return sales tax dollars to all cities and towns, easing the pressures on the local property tax and providing meaningful tax relief for most Tennesseans.

If adopted by Gov. Bill Lee and the Tennessee General Assembly, this legislation returns millions in locally-generated sales tax revenues, which will have a dramatic financial impact on the cities in (_____) County by assisting with the ever-increasing cost of providing essential services to our citizens and maintaining vital infrastructure that affords residents a high quality of life.

In 2002 to address a serious budget crisis, the state of Tennessee altered its 55-year revenue-sharing relationship with local municipalities by increasing the sales tax rate to 7% from 6%, but keeping all the new revenue collected for the state's general fund. Additionally, the state capped the local government portion on single item sales and retained the state's 7% levy as well as the local option tax (2.75%) on purchases between \$1,600 and \$3,200.

In the 20 years since these two "temporary" provisions took effect, the state of Tennessee's dynamic economic and fiscal policies has erased the conditions that led to these austerity measures, allowing the state to amass some \$4 billion in reserves and recurring revenues.

"These moves," said [Mayor of your city or town], "were enacted as an austerity measure to address a temporary state budget shortfall. Yet the measure was left in place, and the result over two decades has been the diversion of almost \$2 billion away from local municipalities."

Tennessee's city officials say that propping up the state's emergency stopgaps long after the need has long passed is not in the best interest of city residents. They explain that this places an increased burden on cities to raise revenue for their own operations and needs through property taxes and therefore forces

RESTORE RETURN RELIEF

Tennessee Municipal League -- 226 Anne Dallas Dudley Blvd., STE 710, Nashville, TN 37219

Attachment: Restore Return and Relief (3270 : Res. 01-23 Support of Historic Revenue Sharing Restoration)

city residents to shoulder a greater share of the burden for the funding necessary for their own towns and cities.

“Each dollar of shared revenues returned to a community is a dollar less in local taxes that municipal taxpayers must pay,” said [city mayor]. “The legislation will mean (enter amount for your city) that will be shared based on population.”

City officials across the state are seeking the revenue-sharing relationship between state and local government to be applied to 100% of sales tax revenue that flows into the state general fund. The restoration of this important revenue to local taxpayers would allow residents to see direct benefits from increased investments in infrastructure, essential services, economic expansion and afford the quality of life that has allowed this state to prosper.

Mayors are encouraging constituents to contact their respective legislators and ask them to support House Bill [____], Senate Bill [____] and House Bill [____], Senate Bill [____].

For example, passage of this legislation will have this immediate impact on our local communities:

(Bullet all of the towns and cities that are covered in the media market from the list created by TML)

RESTORE RETURN RELIEF

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Dear Editor –

I am writing to voice my support for two pieces of legislation that have been introduced in the Tennessee General Assembly that if passed will return millions of dollars in sales tax revenues to all cities and towns, easing the pressures on the local property tax.

The return of a larger share of locally-generated sales tax revenues would assist municipalities with the ever-increasing costs of providing essential services; make our communities desirable places to live, work and raise our families; and promote an environment that attracts, nurtures and supports businesses.

Cities are the economic engines of the state. On average, about 90 % of the sales tax revenues collected by the state are generated within city limits. And with no income tax, the sales tax is the No. 1 source of revenue the state of Tennessee uses to balance its budget and to fund essential programs and services.

Local, municipal taxes – primarily the property tax -- pay for essential services such as police, fire, streets, water and sewers, schools, parks, libraries and other services and amenities. Each dollar of shared revenue returned to the community is a dollar less in local taxes that municipal taxpayers must provide to keep the State's economic engines producing.

The State recognized the significant role cities play as economic engines and since 1947, cities have received a portion of the state sales tax to offset the local tax burden borne by city residents.

In 2002 to address a serious budget crisis, the state of Tennessee altered its 55-year revenue-sharing relationship with local municipalities by increasing the sales tax rate to 7% from 6%, but keeping all the new revenue collected for the state's general fund. Additionally, the state capped the local government portion on single item sales and retained the state's 7% levy as well as the local option tax (2.75%) on purchases between \$1,600 and \$3,200.

RESTORE RETURN RELIEF

Tennessee Municipal League -- 226 Anne Dallas Dudley Blvd., STE 710, Nashville, TN 37219

Attachment: Restore Return and Relief (3270 : Res. 01-23 Support of Historic Revenue Sharing Restoration)

In the 20 years since these austere measures were enacted, nearly \$2 billion in additional sales tax collections have been realized by the state -- \$2 billion that would have benefitted local taxpayers had the historical relationship not been altered in 2002.

The leaders of our state have managed the budget with great care and vision to create nine consecutive years of surplus of recurring revenues. With nearly \$4 billion in reserves, the state has amassed the healthiest of budget reserves and the conditions which led to those severe measures in 2002 have long passed -- yet, the measures still remain in place.

City mayors, council members, and commissioners across the state are calling on Gov. Lee and members of the Tennessee General Assembly to reverse these 20-year austere measures and to once again allow local governments to share in 100% of the state sales tax revenues that flows into the state's general fund and to allow local governments to realize 100% of the local share of sales tax revenues generated by the 2002 increase in the single article cap.

The delivery of city services and the quality of life for Tennessee residents are directly linked to adequate funding. If the state returned to sharing all of the sales tax revenue, it would provide relief to local taxpayers, allow local governments to meet funding demands that are necessary to maintain vital infrastructure, provide essential services to our citizens, fuel economic expansion, and afford the quality of life that has allowed this state to prosper.

There has never been a better time fiscally to return the share of funding to the communities that help make this state great. If not now, when?

RESTORE RETURN RELIEF

Resolution No. _____

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A RESOLUTION TO SUPPORT RESTORING THE HISTORIC REVENUE SHARING
RELATIONSHIP BETWEEN THE STATE OF TENNESSEE AND ITS LOCAL
GOVERNMENTS AND TO RETURN THE LOCAL SHARE OF THE SINGLE ARTICLE
CAP TO LOCAL GOVERNMENTS

WHEREAS, Tennessee's municipal communities are the economic engine of the state and today 92% of the state's total sales tax collections are generated within municipal boundaries; and,

WHEREAS, such economic growth is intentional and when it occurs, it is financed largely through city taxes for police, fire, streets, water and sewer, schools, parks, libraries and other amenities that attract and retain businesses and make Tennessee's communities desirable places for people to raise a family, start a business, and visit; and,

WHEREAS, in 1947, the state began sharing 4.6% of each year's total state sales tax collections with cities for the purposes of recognizing the collective contribution of cities as the state's economic engine; thereby acknowledging that city residents incur a local tax burden that is directly attributable to financing, developing, and maintaining an economic environment that continues to generate a healthy portion of the sales tax revenue accruing to the state; and,

WHEREAS, when confronting serious fiscal challenges in 2002, the state of Tennessee increased the state sales tax rate from 6% to 7%; and,

WHEREAS, the state chose not to share a portion of the sales tax revenues generated by the increase from 6% to 7% with Tennessee municipalities; and,

WHEREAS, as a result of this change the state broke a 55-year relationship of sharing 4.6% of all sales tax revenue designated for the state's general fund with municipalities; and,

WHEREAS, at the same time in 2002, the state also doubled from \$1,600 to \$3,200 the amount of the purchase price any single item that is subject to a combined state and local option sales tax of 9.75%; and

WHEREAS, in addition to the single article cap increase from \$1,600 to \$3,200, the state also captured and continues to capture 100% of the state's 7% levy as well as the 2.75% portion of the sales tax levy that is customarily reserved for local government on the added sale of items with a purchase price above \$1,600; and

WHEREAS, in the 20 years since these provisions took effect, these two changes have combined to result in the state realizing nearly \$2 billion in additional sales tax collections -- \$2 billion that would have benefitted local taxpayers had the historic revenue sharing relationship and single article cap not been altered in 2002; and,

WHEREAS, in the 20 years since these provisions took effect, Tennessee's state leaders have managed the budget with great care and a strong fiscally conservative approach to create a dynamic and growing economy with eight consecutive years of surplus revenues; and,

WHEREAS, in the 20 years since these provisions took effect, the State of Tennessee's sustained economic and fiscal performance have erased the conditions which led to these austerity measures in 2002; and,

WHEREAS, there is expected to be a surplus of recurring revenues produced by the economic engines of our state and managed by its leaders; and,

WHEREAS, as a result of the accolades bestowed upon the state for its economic success, its fiscally conservative policies and strong leadership, the state has garnered an enviable reputation as the state in which to live, work and play; and,

WHEREAS, a consequence of this reputation has led to continued and substantial economic growth and an increase and realignment of the state's population, thereby increasing the fiscal pressures on municipal governments to meet demands to expand and maintain infrastructure, to deliver essential services, to provide the amenities that allow for continued quality of life for Tennessee's citizens, and to promote an economic environment that allows Tennessee's businesses and communities to prosper; and,

WHEREAS, these fiscal pressures create the need for recurring dollars to keep pace with this demand and to counteract the effects of inflation; and,

WHEREAS, correcting the provisions which took effect in 2002 will help to offset these fiscal pressures and to provide relief to local taxpayers shouldering the burden of meeting this demand which is associated with generating the sales tax revenues accruing to the state;

NOW THEREFORE BE IT RESOLVED that the __[Board/Commission/Council]__ of the __[City/Town]__ of __[city/town]__, on behalf of its residents, formally supports the restoration of the historic revenue sharing relationship of recurring state shared sales taxes in order for cities to once again receive 4.6% of all state general fund sales tax revenue. The __[Board/Commission/Council]__ also formally supports the state allowing local governments to receive the local share of sales tax revenues realized by increasing the single article cap in 2002 to collect on items with a purchase price between \$1,600 and \$3,200.

Date

Date

Mayor

Recorder

RESTORE RETURN RELIEF

Tennessee Municipal League -- 226 Anne Dallas Dudley Blvd., STE 710, Nashville, TN 37219

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2022 MAYORS' LETTER

On April 19, 2022, TML delivered a letter on behalf of Tennessee's towns and cities, signed by 237 mayors, to Governor Bill Lee, Lieutenant Governor Randy McNally, and House Speaker Cameron Sexton.

The letter and signatures follow on the next page.

Attachment: Restore Return and Relief (3270 : Res. 01-23 Support of Historic Revenue Sharing Restoration)

RESTORE RETURN RELIEF

Tennessee Municipal League -- 226 Anne Dallas Dudley Blvd., STE 710, Nashville, TN 37219



April 19, 2022

Honorable Bill Lee
Governor of the State of Tennessee
State Capitol, 1st Floor
600 Dr. Martin L. King, Jr. Blvd
Nashville, TN 37243

Dear Governor Lee,

We are writing to voice our support for two legislative measures intended to restore the historical revenue sharing relationship between the State and Local Governments that was altered in 2002 so that the state could address a significant state budget shortfall and avoid impending fiscal crisis.

Tennessee's municipal communities are the economic engine of the state, producing about 90% of the state's total sales tax collections each year. Such economic growth is intentional and when it occurs, it is financed largely through city taxes for police, fire, streets, water and sewer, schools, parks, libraries and other amenities that attract and retain businesses and make Tennessee's communities desirable places for people to raise a family, start a business, and visit. The State recognized this fact, and since 1947, cities have received a portion of the state sales tax to offset the local tax burden borne by city residents that is associated with promoting economic activity and generating state sales tax revenues. This relationship was altered in 2002 when the state increased the state sales tax rate from 6% to 7% and designated all resulting revenues to the State's general fund rather than continuing the historical sharing with municipalities.

In 2002, the relationship was also altered when the state increased the single article cap from \$1,600 to \$3,200 and elected to retain not only the full 7% state levy on purchases between \$1,600 and \$3,200 but also the amount historically reserved for the local option tax (2.75%) for an effective tax rate of 9.75%. As a consequence these revenues add to the state general fund rather than benefitting the local schools and communities where they are created.

In the 20 years since, nearly \$2 billion in additional sales tax collections have been realized by the state -- \$2 billion that would have benefitted local taxpayers had the historical relationship not been altered in 2002. Additionally, since 2012, the Tennessee General Assembly has enacted measures that have reduced local government revenues by more than \$100 million. Plus, the rising costs of local government expenditures continue to put pressures on our ability to respond to public safety needs, road paving projects, and other basic city services.

The leaders of our state have managed the budget with great care and vision to create eight consecutive years of surplus revenues and now also a surplus of recurring revenue. The

conditions which led to those austerity measures in 2002 have passed long ago -- yet, they still remain in place. The strong fiscal position of our state makes now the right time to act.

As local mayors, we fear the legislature will miss this opportunity to restore the revenue sharing relationship and make our communities stronger.

There is one thing that is consistent among all 345 cities – the costs associated with the provision of services and amenities and the maintenance of infrastructure increase each year. The returned revenue would provide relief to local taxpayers, allow local governments to meet funding demands that are necessary to maintain vital infrastructure, provide essential services to our citizens, fuel economic expansion, and afford the quality of life that has allowed this state to prosper.

We urge the General Assembly to pass legislation to restore the historic revenue sharing relationship with local governments by fully sharing state shared revenues from the General Fund, and by allowing local governments to receive the local share of sales tax collected between \$1,600 - \$3,200.

Letters have also been sent to Lt. Gov. Randy McNally and House Speaker Cameron Sexton.

Ken Moore

Dr. Ken Moore
TML President, Mayor of Franklin

TENNESSEE MUNICIPAL AND METROPOLITAN MAYORS

Adams	Robert Evans	Belle Meade	Rusty Moore
Adamsville	David Leckner	Bells	Eric Jordan
Alamo	John Avery Emison	Benton	Joe Jenkins
Alcoa	Odis C. Abbott, Jr.	Berry Hill	Greg Mabey
Alexandria	Bennett Armstrong	Bethel Springs	Gary Bizzell jr
Algood	Lisa Chapman-Fowler	Bluff City	Richard Bowling
Allardt	Patricia Clark	Bolivar	Julian McTizic
Ardmore	Mike Magnusson	Braden	Chester Cocke
Arlington	Mike Wissman	Bradford	Dwayne Reynolds
Ashland City	Steve Allen	Brentwood	Rhea Little III
Athens	Bo Perkinson	Brighton	Stephane Chapman-
Atoka	W. Daryl Walker	Bristol	Washam
Atwood	James Halford	Brownsville	Mahlon Luttrell
Baileyton	William K Kerr	Bruceton	William D. Rawls
Bartlett	A. Keith McDonald	Burns	Robert T. Keeton III
Bean Station	Ben Waller	Calhoun	Landon Mathis
Bell Buckle	Ronnie Lokey		Evan Thomas

Tennessee Municipal League -- 226 Anne Dallas Dudley Blvd., STE 710, Nashville, TN 37219

Camden	Roger Pafford	Gadsden	Randall Smith
Celina	Luke Collins	Gainesboro	Lloyd Williams
Centertown	Joel Akers	Gallatin	Paige Brown
Chattanooga	Tim Kelly	Garland	Kelley Gray
Clarksburg	Howell Todd	Gatlinburg	Mike Werner
Clarksville	Joe Pitts	Germantown	Mike Palazzolo
Cleveland	Kevin Brooks	Gilt Edge	Steve Fletcher
Clifton	Mark Staggs	Gleason	Charles Anderson
Clinton	Scott Burton	Goodlettsville	Rusty Tinnin
Collegedale	Katie Lamb	Gordonsville	John Potts
Collierville	Stan Joyner	Graysville	Charles Kaylor
Collinwood	James Glenn Brown	Greenback	Dewayne Birchfield
Columbia	Chaz Molder	Greeneville	W.T. Daniels
Cookeville	Ricky Shelton	Greenfield	Cindy McAdams
Coopertown	Becca Werner	Halls	Eugene Pugh
Copperhill	Kathy Stewart	Harrogate	Linda Fultz
Cottage Grove	Gary McCaig	Hartsville/Trousdale	
Covington	Justin Hanson	County	Stephen Chambers
Cross Plains	Barry Faulkner	Henderson	Robert King
Crump	Ricky Tuberville	Hendersonville	Jamie Clary
Cumberland Gap	Neal Pucciarelli	Henry	Dustin Odom
Dandridge	George Gantte	Hornbeak	Betty Walley
Decatur	Jeremy Bivens	Humboldt	Marvin Sikes
Decherd	Michael Gillespie	Huntingdon	Dale Kelley
Dickson	Don Weiss Jr.	Jackson	Scott Conger
Ducktown	Douglas Collins	Jasper	Jason Turner
Dyer	Ray Carroll	Jefferson City	Mitch Cain
Dyersburg	John Holden	Jellico	Dwight Osborn
East Ridge	Brian Williams	Jonesborough	Chuck Vest
Eastview	Elvis Butler	Kenton	Danny C Jowers
Elizabethton	Curt Alexander	Kingsport	Patrick Shull
Elkton	Jimmy Dean Caldwell	Kingston	Timothy Neal
Englewood	Tony R. Hawn	Kingston Springs	Francis Gross
Enville	Melinda Johnston	Knoxville	Indya Kincannon
Erin	Paul Bailey	La Grange	Earl Smith
Erwin	Glenn White	La Vergne	Jason Cole
Etowah	Edward B. Garwood	Lafayette	Jerry Wilmore
Fairview	Debby Rainey	LaFollette	Phillip Farmer
Farragut	Ron Williams	Lakeland	Mike Cunningham
Finger	Robert Heathcock	Lakesite	David Howell
Franklin	Ken Moore	Lawrenceburg	Blake Lay
Friendship	Casey Burnett	Lebanon	Rick Bell
Friendsville	Andrew Lawhorn	Lenoir City	Tony Aikens

Lewisburg	Jim Bingham	Oakland	Mike Brown
Lexington	Jeffrey H. Griggs	Oliver Springs	Omer Cox
Linden	Wess Ward	Oneida	Jack Lay
Livingston	Curtis Hayes	Paris	Carlton Gerrell
Lobelville	Robby Moore	Parkers Crossroads	Kenneth Kizer
Lookout Mountain	Walker Jones	Parsons	Tim David Boaz
Loretto	Jesse Turner	Philadelphia	Damian Crawford
Loudon	Jeff Harris	Pigeon Forge	David Wear
Louisville	Tom Bickers	Pikeville	Philip Cagle
Luttrell	Jerry Lawson	Piperton	Henry Coats
Madisonville	Augusta Davis	Pittman Center	Jerry Huskey
Manchester	Marilyn Howard	Plainview	Gary D. Chandler
Martin	Randy Brundige	Pleasant Hill	Elizabeth Patrick
Maryville	Andy White	Portland	Mike Callis
Mason	Emmitt Gooden	Puryear	David Varner
Maury City	Rayce Castellaw	Ramer	George Armstrong
Maynardville	Ty Blakely	Red Bank	Hollie Berry
McKenzie	Jill Holland	Ridgely	Steve Jones
McLemoresville	Phillip Williams	Ridgeside	Kirk Walker
Medina	Vance Coleman	Ridgetop	Tim Shaw
Memphis	Jim Strickland	Ripley	Craig Fitzhugh
Michie	Anthony Smith	Rockwood	Mike Miller
Middleton	Evan Mott	Rocky Top	Timothy Sharp
Milledgeville	Ricky Hollin	Rogersville	Jim Sells
Minor Hill	Tracy Wilburn	Rossville	Judy Watters
Monteagle	Marilyn Rodman	Rutherford	Sandra Simpson
Morrison	Sue Anderson	Rutledge	Fred Sykes
Morristown	Gary Chesney	Saint Joseph	Bubba Carter
Moscow	Brenda Mitchell	Saltillo	Larry Lowery
Mount Pleasant	Bill White	Sardis	J W Creasy
Mt. Juliet	James Maness	Savannah	Bob Shutt
Munford	Dwayne Cole	Selmer	Sherry Inman
Nashville	John Cooper	Sevierville	Robbie Fox
New Market	Danny Whillock	Sharon	Ali Stalter
New Tazewell	Jerry Beeler	Shelbyville	Wallace Cartwright
Newbern	Pam Mabry	Signal Mountain	Charles Poss
Newport	Roland Dykes III	Smithville	Josh Miller
Niota	Lois Preece	Smyrna	Mary Esther Reed
Nolensville	Derek Adams	Sneedville	Wayland Dean Rhea
Normandy	Charles Whitaker	Soddy-Daisy	Rick Nunley
Oak Hill	Dale Grimes	Somerville	Ronnie Neill
Oak Ridge	Warren Gooch	South Fulton	David Lamb

South Pittsburg	Samatha Rector	Troy	James Cruce
Sparta	Jeff Young	Tullahoma	Ray Knowis
Spring City	Woody Evans	Tusculum	Alan Corley
Spring Hill	Jim Hagaman	Unicoi	Kathy Bullen
Springfield	Ann Schneider	Union City	Terry Hailey
Stanton	Allan Sterbinsky	Walden	Lee Davis
Sunbright	Karen Melton	Wartrace	Cindy Drake
Sweetwater	Doyle Lowe	Watauga	Delisa LaFleur
Tazewell	Bill Fannon	Waverly	Buddy Frazier
Tellico Plains	Marilyn Parker	Waynesboro	Chris Bevis
Thompsons Station	Corey Napier	Westmoreland	James Brian Smalling
Three Way	Larry Sanders	White Bluff	Linda Hayes
Tiptonville	Cliff Berry	White House	Farris Bibb
Townsend	Michael Talley	White Pine	Fred Taylor
Trenton	Ricky Jackson	Whiteville	Gene Bowden
Trezevant	Bobby Blaylock	Williston	James Wiles
Trimble	Christy Belonio	Woodland Mills	Joseph Lewis

c: Lt. Gov. Randy McNally
House Speaker Cameron Sexton



Board of Mayor and Aldermen

6400 Stage Road
Bartlett, TN 38134

SCHEDULED

RESOLUTION (ID # 3266)

Meeting: 02/14/23 06:00 PM

Department: Finance

Category: Presentation

Prepared By: Dick Phebus

Initiator: Dick Phebus

Sponsors:

DOC ID: 3266

Resolution 02-23, a resolution to delete uncollectible accounts from ambulance customers' accounts receivable.

WHEREAS, the City of Bartlett wishes to establish a resolution regarding uncollectible ambulance fees accounts receivable; and

WHEREAS, the Board of Mayor and Aldermen has previously written off past due ambulance service fees of \$426,919.66 on June 14, 2022 for the period prior to January 1, 2019, having determined them to be uncollectible; and

WHEREAS, the City Finance Director has reviewed past due ambulance service fee bills dated prior to December 31, 2019 that are deemed uncollectible as of June 30, 2022 and should be brought to a City of Bartlett Mayor and Board of Aldermen board meeting for approval of writing off these past due uncollectible accounts; and

WHEREAS, a list of all customers with unpaid balances which have been written off shall be kept on file for public record. Future payments of these unpaid balances will be considered revenue for the City of Bartlett as they are collected;

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF MAYOR OF ALDERMEN that these uncollectible ambulance service fee accounts receivable prior to January 1, 2020, will be deleted in the amount of \$357,380.38 from the accounts receivable uncollectible aged list of accounts.

Adopted this day of February 14, 2023

Harold Brad King, Register to the
Board of Mayor and Aldermen

David Parsons, Mayor

Attest: _____
Penny Medlock, City Clerk

BARTLETT AMBULANCE SERVICE
ANALYSIS OF CHARGES AND COLLECTIONS
JANUARY 2023

AMBULANCE CHARGES

Bartlett ambulance services has a three-tier structure as listed below:

Basic Service - \$650/transport + \$8/mile

BLSE or Basic Life Support is transportation by ground ambulance that provides medically necessary supplies and services. Must be staffed by individual that is qualified as an EMT-Basic by Tennessee laws.

ALS1 Service - \$750/transport + \$8/mile

ALSE or ALS1 or Advanced Life Support, Level 1 is transportation by ground ambulance that includes an advanced life support assessment at time of dispatch that only an ALS crew is qualified to determine. Service is performed by an EMT-Intermediate or EMT-Paramedic.

ALS2 Service - \$850/transport + \$8/mile

ALS2 or Advanced life support, Level 2 in transportation by ground ambulance and provision of medically necessary supplies including (1) at least three separate administrations of one or more medication by intravenous infusion or (2) at least one of multiple ALS2 procedures including manual defibrillation, intubation, central line, surgical airway and others. Ambulance must be staffed by EMT-Intermediate or EMT-Paramedic.

BILLING PROCEDURES (PRIOR TO JANUARY 1, 2022)

After transport, the EMTs complete data entry forms and submit to AMB for processing. AMB sends out three monthly statements. A number of transports end up with bad address information which prevents early resolution of the billing process. At times this goes unnoticed and not corrected for months. AMB turns over delinquent patient accounts to Wakefield and Associates. Wakefield efforts as collections is detailed later in this narrative.

After the three monthly statements sent to patients for their transports with no payment activity, the accounts are transferred to Wakefield Associates, which is the collection agency Bartlett contracts with to follow up on payments.

BILLING PROCEDURES (AFTER DECEMBER 31, 2021)

Billing procedures remain the same. The billing company is now DIGITECH. Delinquent accounts are still turned over to Wakefield Associates. It is early in the process for DIGITECH. Fire department elected to bill one month late at beginning of the calendar year, hoping to collect more due to deductibles being met early in the year.

WRITE OFFS

This resolution proposes to write off 850 accounts totaling \$357,380.38. This represents accounts prior to calendar year 2020. Average balance is \$420.45. Highest balance is \$1,521.20. There are 74 accounts over \$800; 532 accounts with balances from \$100 to \$800; 109 accounts less than \$100. All 850 accounts will remain in our files. Since the last write-off of fees, the city has collected \$9,384.32 in fees on 122 accounts written off in January 2021 and prior years. Therefore, these accounts are at least three years old before we write them off as uncollectible.

Variance between gross charges and net payments is caused primarily by a combination of two factors: contractual discounts applied to patient billing once received by the insurance carrier (primarily Medicare/Medicaid patients), and bad debt. Our experience with DIGITECH, and AMB before them, is that Medicare adjustments account for 54% of the total of such reductions while Medicaid adjustments account for 8% of this total. Contractual adjustments apply prior to billing, and since these write-offs pertain to billed amounts, this write off is made in consideration of the remainder of such amounts after Medicare/Medicaid have paid their contractual obligations. Some patients filing with Medicare or Medicaid also have supplemental insurance coverage, which may pay for the remainder. As noted previously, Medicare/Medicaid discounts patients billing by 54% and pays the remaining balance. This remainder is either filed with the patient's supplemental insurance or becomes self-pay by the patient.

WAKEFIELD COLLECTION EFFORTS

Charges for ambulance services are captured by DIGITECH, which provides the first level of collection efforts for the Bartlett Fire Department. After three monthly billings with no response from patients, DIGITECH places these accounts with Wakefield and Associates. Wakefield continues its collection efforts and charges 20% of any amount collected. Wakefield may consider some accounts collectible if litigated. For these accounts, Wakefield will notify the City of Bartlett for permission to file suit. Wakefield charges 35% fees for these accounts if collected.

One critical data point is average age of accounts prior to placement with Wakefield. The Wakefield representative says the industry average is 180-240 days, with hospitals averaging 180 days. We will remain in contact with DIGITECH to encourage prompt placement of accounts with Wakefield. Once the accounts are transferred to Wakefield, the collection percentage drops to 10%-15% of total placed.

**BARTLETT FIRE DEPARTMENT
AMBULANCE SERVICE
RECOMMENDATIONS**

RECOMMENDATIONS: The Fire Department Ambulance Service, should

- (1) Work with the ambulance billing contractor (DIGITECH) to provide the City with monthly lists of accounts that are 180 days old and turn those accounts over to the City and Wakefield and Associates each month;*
- (2) Provide additional training, if required, to ensure patient information is collected correctly. Emphasis should be placed on name, current address, and phone number if readily available from the patient or family member;*
- (3) Work with the ambulance billing service (DIGITECH) to provide timely exception reports it regularly reviews to provide assurance that accounts do not remain unbilled if the system initially rejects the billing address or other patient information;*
- (4) If not already in place, the Fire Department should work with all employees that have access to patient health data complete HIPAA training.*