

COMMISSION MINUTES June 21, 2022

- Appointments Resolution 1-6-22.
- Meadows Family Real Estate Partnership LP Lease Agreement Resolution 1a-6-22.
- Budget Amendment Resolutions 2-6-22, 2a-6-22, 3-6-22, 4-6-22 and 5-6-22.
- First Reading of Appropriations to Non-Profit or Civic Organizations Resolution 6-6-22.
- Model Debt Policy Review for Governor's Three Star Program Resolution 7-6-22.
- Interlocal Agreement with Municipalities for collection of Property Taxes Resolution 8-6-22.
- Recess till July 11, 2022 at 5:00 p.m.

STATE OF TENNESSEE
COUNTY OF HENRY...

Be it remembered that the County Commission met in a regular session at the Courthouse in Henry County, Tennessee on June 21, 2022 at 5:00 p.m. Present and presiding the Honorable John Penn Ridgeway, Chairman, Donna Craig, County Clerk and the County Commissioners:

ITEM NO. 1 The meeting was called to order by Sheriff Frey.

ITEM NO. 2 The invocation was led by Commissioner Humphreys.

ITEM NO. 3 The pledge to the flag was led by Sheriff Frey.

ITEM NO. 4 Roll Call

The following Commissioners were present:

Wesley Bradley, Dell Carter, Greg Carter, James Copeland, Randy Gean, Kenneth Humphreys, Don Jones, Kreg Kyle, Paul Neal, Monte Starks, James Travis, David Webb and Drew Williams. Absent: Jerry Berry and Marty Visser.

ROLL CALL
COUNTY COMMISSION, HENRY COUNTY, DONNA CRAIG, COUNTY CLERK
PARIS, TENNESSEE

A motion was made by Commissioner Kyle to approve the Consent Agenda, which consists of: Minutes of the meeting of June 21, 2022, various quarterly reports, Henry County Medical Center Statement of Cash Flow, Trustee's month end report, and the following Notary Public designations: Jennifer Lynn Ussery, Melody L. Wynn, Crystal L. Smith, Carrye Moody Jackson, Samuel James Carlton Bell, Terri Saylor, Tammie L. Bostick, Shelby Loren Hill, Sam Cross, Ashley Hawkins, Jodie L. Fields and Vanita Gray. The motion was seconded by Commissioner Bradley.

ITEM NO. 5

	ABSENT	PRESENT	MOTION	SECOND	AYE	NO	ABSTAIN	PASS
BERRY, JERRY	X							
BRADLEY, WESLEY				X				
CARTER, DELL								
CARTER, GREG								
COPELAND, JAMES								
GEAN, RANDY								
HUMPHREYS, KENNETH								
JONES, DON								
KYLE, KREG			X					
NEAL, PAUL								
STARKS, MONTE								
TRAVIS, JAMES								
VISSER, MARTY	X							
WEBB, DAVID								
WILLIAMS, DREW								
TOTAL								

VOICE VOTE CARRIED

DATE : 6-21-22

RESOLUTION NO. 1-6-22

A RESOLUTION OF THE HENRY COUNTY, TENNESSEE BOARD OF COMMISSIONERS TO APPOINT CERTAIN CITIZENS AND COMMISSIONERS TO VARIOUS BOARDS, COMMITTEES, AND POSITIONS

WHEREAS, certain vacancies now exist on various boards, committees, and commissions, and in various positions of Henry County, Tennessee; and

WHEREAS, it is the duty and responsibility of the Board of Commissioners of Henry County, Tennessee to appoint certain qualified citizens and Henry County Commissioners to fill said vacancies; and

WHEREAS, the Board of Commissioners has examined and evaluated the qualifications of certain citizens and County Commissioners for appointment to said boards, committees, commissions, and positions.

NOW, THEREFORE BE IT RESOLVED by the Board of Commissioners of Henry County, Tennessee, assembled in regular session on this 21st day of June, 2022, a majority or more of said Commissioner's concurring, that:

SECTION 1. The following be and hereby are recommended to the Henry County Library Board for 3-year terms with terms to expire June 30, 2025:

- a. Dennis Melhouse – first 3-year term appointment
- b. Lisa Fitzsimmons – re-appointment for another 3-year term

SECTION 2. The following be and hereby are appointed to the Henry County Workhouse Commissioners for a 1-year term and annually thereafter:

- a. Brent Smith – to replace Cliff Barker
- b. John Penn Ridgeway – serving co-terminus to replace Brent Greer

SECTION 3. The following be and hereby is re-appointed to the Civil Service Board for a three-year term with term to expire June, 2025:

- a. Franky Hosford

BE IT FURTHER RESOLVED that any and all acts previously passed by this Board of County Commissioners which are in conflict with this Resolution be and hereby are rescinded, repealed, and are of no effect whatsoever.

BE IT FURTHER RESOLVED that this Resolution shall take effect upon its passage by this Board of County Commissioners and approval by the County Executive, the public welfare requiring it.

BE IT FINALLY RESOLVED that a true copy of this Resolution be spread upon the Commission record of this date.

PASSED 6-21-22

John Penn Ridgeway
**JOHN PENN RIDGEWAY, CHAIRMAN
HENRY COUNTY COMMISSION**

Donna Craig
**DONNA CRAIG
COUNTY CLERK**

APPROVED 6-21-22

John Penn Ridgeway
**JOHN PENN RIDGEWAY
HENRY COUNTY MAYOR**

ROLL CALL
COUNTY COMMISSION, HENRY COUNTY, DONNA CRAIG, COUNTY CLERK
PARIS, TENNESSEE

Commissioner Dell Carter made a motion to approve Resolution 1a-6-22, to renew the lease agreement for Meadows Family Real Estate Partnership, LP. The motion was seconded by Commissioner Greg Carter.

ITEM NO. 7

	ABSENT	PRESENT	MOTION	SECOND	AYE	NO	ABSTAIN	PASS
BERRY, JERRY	X							
BRADLEY, WESLEY								
CARTER, DELL			X					
CARTER, GREG				X				
COPELAND, JAMES								
GEAN, RANDY								
HUMPHREYS, KENNETH								
JONES, DON								
KYLE, KREG								
NEAL, PAUL								
STARKS, MONTE								
TRAVIS, JAMES								
VISSER, MARTY	X							
WEBB, DAVID								
WILLIAMS, DREW								
TOTAL								

VOICE VOTE CARRIED

DATE : 6-21-22

RESOLUTION NO. 1a-6-22

A RESOLUTION OF THE HENRY COUNTY, TENNESSEE BOARD OF COMMISSIONERS TO RENEW THE LEASE AGREEMENT FOR MEADOWS FAMILY REAL ESTATE PARTNERSHIP, LP

WHEREAS, Henry County, Tennessee owns a general aviation airport known as Henry County Airport; and

WHEREAS, the Henry County Commission has duly appointed an Airport Committee to oversee the operations of said airport pursuant to budgetary and other outlines as set forth by the Henry County Commission; and

WHEREAS, the Henry County Airport Committee, by proper motion and adoption, voted to recommend that a Lease Agreement be entered into between Henry County, Tennessee (Lessor) and Meadows Family Real Estate Partnership, LP (Lessee), to construct an airplane hangar facility, at Lessee's expense; and

WHEREAS, by the Board of Commissioners of Henry County, Tennessee, assembled in regular session on July 17, 2017, a majority or more of said membership approved the Lease Agreement between Henry County, Tennessee and Meadows family Real Estate Partnership, LP to allow Lessee to construct a hangar facility for their airplane at Henry County Airport subject to all conditions set forth by and within the Lease Agreement with initial terms of July 19, 2017 through July 18, 2022.

NOW, THEREFORE, BE IT RESOLVED, by the Board of Commissioners of Henry County, Tennessee assembled in regular session on this 21st day of June, 2022, a majority of more of said membership concurring, does hereby approve the renewal of this previously mentioned

Lease Agreement for another five years with terms being from July 19, 2022 through July 18, 2027

BE IT FURTHER RESOLVED that the County Mayor of Henry County, Tennessee, is hereby authorized, empowered, and directed to enter said agreement on behalf of Henry County as its agent with authority to enforce all parts of said Lease Agreement between Henry County, Tennessee known as ("Lessor") and Meadows Family Real Estate Partnership, LP, known as ("Lessee").

BE IT FINALLY RESOLVED that a true copy of this Resolution be spread upon the Commission record of this date.

PASSED 10-21-22



**JOHN PENN RIDGEWAY, CHAIRMAN
HENRY COUNTY COMMISSION**



**DONNA CRAIG
COUNTY CLERK**

APPROVED 10-21-22



**JOHN PENN RIDGEWAY
HENRY COUNTY MAYOR**

ROLL CALL

COUNTY COMMISSION, HENRY COUNTY, DONNA CRAIG, COUNTY CLERK
PARIS, TENNESSEE

Commissioner Greg Carter made a motion to approve the following: Resolution 2-6-22, to authorize certain changes in the budget for the Henry County General Fund for Fiscal 2021-2022; Resolution 2a-6-22, to authorize certain changes in the budget for the Henry County General Fund for Fiscal 2021-2022; Resolution 3-6-22, to authorize certain changes in the budget for the Henry County Solid Waste Fund for Fiscal 2021-2022; Resolution 4-6-22, to authorize certain changes in the budget for the Henry County Highway Fund for Fiscal 2021-2022 and Resolution 5-6-22, to authorize certain changes in the budget for the Henry County General Purpose School Fund for Fiscal 2021-2022. The motion was seconded by Commissioner Copeland.

ITEM NO. 8

	ABSENT	PRESENT	MOTION	SECOND	AYE	NO	ABSTAIN	PASS
BERRY, JERRY	X							
BRADLEY, WESLEY					X			
CARTER, DELL					X			
CARTER, GREG			X		X			
COPELAND, JAMES				X	X			
GEAN, RANDY					X			
HUMPHREYS, KENNETH					X			
JONES, DON					X			
KYLE, KREG					X			
NEAL, PAUL					X			
STARKS, MONTE					X			
TRAVIS, JAMES					X			
VISSER, MARTY	X							
WEBB, DAVID					X			
WILLIAMS, DREW					X			
TOTAL	2				13			

MOTION CARRIED

DATE : 6-21-22

RESOLUTION #2-6-22

A RESOLUTION OF THE HENRY COUNTY, TENNESSEE BOARD OF COMMISSIONERS TO AUTHORIZE CERTAIN CHANGES IN THE BUDGET FOR THE HENRY COUNTY GENERAL FUND FOR FISCAL 2021-2022

WHEREAS, the Board of County Commissioners of Henry County, Tennessee at its June Recessed Session, 2021, adopted the budget for the Henry County General Fund for fiscal 2021-2022; and,

WHEREAS, the said Board of County Commissioners of Henry County, Tennessee must authorize and approve any and all changes and amendments of the said budget of the Henry County General Fund; and,

WHEREAS, the expenditures authorized in the said budget of the Henry County General Fund will be insufficient in certain line items with funds being available for transfer; and,

WHEREAS, it is necessary and appropriate that the said budget of the Henry County General Fund be amended to provide additional funds for certain line items.

NOW, THEREFORE, BE IT RESOLVED by the Board of County Commissioners of Henry County, Tennessee assembled in regular session on this the 21st of June 2022, a majority or more of said membership concurring, that the budget for the Henry County General Fund be and hereby is amended as follows, to-wit:

COUNTY ATTORNEY

INCREASE ACCOUNT 51400-199, entitled "Other Per Diem and Fees," in the amount of \$1.00

DECREASE ACCOUNT 51300-524, entitled "In Service/Staff Development," in the amount of \$1.00

This transfer due to rounding.

ELECTION COMMISSION

INCREASE ACCOUNT 51500-348, entitled "Postage," in the amount of \$1,000.00

INCREASE ACCOUNT 51500-193, entitled "Election Workers," in the amount of \$3,500.00

DECREASE ACCOUNT 39000, entitled "Unappropriated Fund Balance," in the amount of \$4,500.00

Please see emergency accounts payable from DeLaina Green regarding these transfers.

COUNTY BUILDINGS

INCREASE ACCOUNT 51800-434 entitled "Natural Gas," in the amount of \$7,800.00

INCREASE ACCOUNT 51800-452, entitled "Utilities," in the amount of \$6,000.00

DECREASE ACCOUNT 39000, entitled "Unappropriated Fund Balance" in the amount of \$13,800.00

This transfer to estimate expenses through June 30th.

RECORDS PRESERVATION

INCREASE ACCOUNT 51910-169 entitled "Part-time Personnel," in the amount of \$1,400.00

DECREASE ACCOUNT 39000, entitled "Unappropriated Fund Balance" in the amount of \$1,400.00

This transfer to estimate salaries through June 30th.

REAPPRAISAL

INCREASE ACCOUNT 52310-106-DP2 entitled "Salaries," in the amount of \$1,821.00

DECREASE ACCOUNT 52310-169, entitled "Part-time Personnel" in the amount of \$1,821.00

This transfer is due after retirement of employee in this position and subsequent promotion of another employee in department.

TRUSTEE'S OFFICE

INCREASE ACCOUNT 52400-435, entitled "Office Supplies," in the amount of \$211.45

INCREASE ACCOUNT 52400-355, entitled "Travel," in the amount of \$154.22

DECREASE ACCOUNT 52400-349, entitled "Printing and Forms," in the amount of \$365.67

Please see memo from Randi French regarding this transfer

INCREASE ACCOUNT 52400-106-DP2 entitled "Salaries," in the amount of \$2,383.00

DECREASE ACCOUNT 39000, entitled "Unappropriated Fund Balance" in the amount of \$2,383.00

This transfer is due after retirement of employee in this position and subsequent promotion of another employee in department.

COUNTY CLERK

INCREASE ACCOUNT 52500-106-DP1 entitled "Salaries," in the amount of \$1,577.00

DECREASE ACCOUNT 39000, entitled "Unappropriated Fund Balance" in the amount of \$1,577.00

This transfer is due after retirement of employee in this position and subsequent promotion of another employee in department

GENERAL SESSIONS COURT

INCREASE ACCOUNT 53310-106-DP2 entitled "Salaries," in the amount of \$1,578.00

DECREASE ACCOUNT 39000, entitled "Unappropriated Fund Balance" in the amount of \$1,578.00

This transfer is due after retirement of employee in this position and subsequent promotion of another employee in department.

SHERIFF'S OFFICE

INCREASE ACCOUNT 54110-110-003 entitled "Lieutenant Salary," in the amount of \$175.00

INCREASE ACCOUNT 54210-160-019 entitled "Investigator Salary," in the amount of \$230.00

DECREASE ACCOUNT 54110-452, entitled "Utilities," in the amount of \$405.00

INCREASE ACCOUNT 54110-338 entitled "Maintenance & Repair Vehicles," in the amount of \$13,300.00

DECREASE ACCOUNT 54110-452, entitled "Utilities," in the amount of \$12,516.00

DECREASE ACCOUNT 54110-524, entitled "In Service/Staff Development," in the amount of \$784.00

INCREASE ACCOUNT 54210-422, entitled "Food Supplies," in the amount of \$8,401.08

DECREASE ACCOUNT 54210-317, entitled "Data Processing," in the amount of \$412.00

DECREASE ACCOUNT 54210-340, entitled "Medical & Dental Services," in the amount of \$4,352.90

DECREASE ACCOUNT 54210-354, entitled "Transportation," in the amount of \$2,531.25

DECREASE ACCOUNT 54210-355, entitled "Travel," in the amount of \$177.40

DECREASE ACCOUNT 54210-413, entitled "Drug & Medical Supplies," in the amount of \$927.53

INCREASE ACCOUNT 54210-599, entitled "Other Charges," in the amount of \$50.00

DECREASE ACCOUNT 54210-431, entitled "Law Enforcement Supplies," in the amount of \$50.00

INCREASE ACCOUNT 54210-160-001, entitled "Correctional Officer Salary," in the amount of \$650.00

DECREASE ACCOUNT 54210-160-012, entitled "Correctional Officer Salary," in the amount of \$650.00

INCREASE ACCOUNT 54210-160-011, entitled "Correctional Officer Salary," in the amount of \$350.00

DECREASE ACCOUNT 54210-160-012, entitled "Correctional Officer Salary," in the amount of \$350.00

INCREASE ACCOUNT 54210-160-020, entitled "Correctional Officer Salary," in the amount of \$250.00

DECREASE ACCOUNT 54210-160-015, entitled "Correctional Officer Salary," in the amount of \$250.00

INCREASE ACCOUNT 54210-160-022, entitled "Correctional Officer Salary," in the amount of \$450.00

DECREASE ACCOUNT 54210-160-015, entitled "Correctional Officer Salary," in the amount of \$450.00

Please see memo from Josh Frey regarding this request.

COUNTY CORONER

INCREASE ACCOUNT 54610-199, entitled "Other Per Diem," in the amount of \$10,000.00

DECREASE ACCOUNT 39000, entitled "Unappropriated Fund Balance" in the amount of \$10,000.00

This transfer to estimate expenses through June 30th.

HEALTH DEPARTMENT

INCREASE ACCOUNT 55110-707, entitled "Building Improvements," in the amount of \$40,950.00

DECREASE ACCOUNT 39000, entitled "Unappropriated Fund Balance" in the amount of \$40,950.00

This transfer is to put into the budget insurance proceeds (34,416) received and the additional expense to replace the roof on the health department building.

OFFICE ON AGING

INCREASE ACCOUNT 56100-169, entitled "Part-time Personnel," in the amount of \$2,141.00

DECREASE ACCOUNT 56100-202, entitled "Handling Charges," in the amount of \$435.00

DECREASE ACCOUNT 56100-146, entitled "Bus Driver's Salary," in the amount of \$706.00

DECREASE ACCOUNT 56100-189, entitled "Other Salaries & Wages," in the amount of \$1,000.00

INCREASE ACCOUNT 56100-307, entitled "Communications," in the amount of \$100.00

INCREASE ACCOUNT 56100-330, entitled "Operating Leases," in the amount of \$100.00

INCREASE ACCOUNT 56100-355, entitled "Travel," in the amount of \$500.00

INCREASE ACCOUNT 56100-435, entitled "Office Supplies," in the amount of \$700.00

DECREASE ACCOUNT 56100-338, entitled "Maintenance & Repair - Vehicles," in the amount of \$600.00

DECREASE ACCOUNT 56100-348, entitled "Postal Charges," in the amount of \$500.00

DECREASE ACCOUNT 56100-399, entitled "Other Contracted Services," in the amount of \$300.00

Please see request from Reginald Caldwell regarding this transfer.

AIRPORT

INCREASE REVENUE ACCOUNT 44135, entitled "Sale of Gasoline," in the amount of \$62,000.00

INCREASE ACCOUNT 58220-425, entitled "Fuel," in the amount of \$55,000.00

INCREASE ACCOUNT 39000, entitled "Unappropriated Fund Balance," in the amount of \$7,000.00

Please see emergency accounts payable request from Bob Nolan regarding this transfer.

EMPLOYEE BENEFITS

INCREASE ACCOUNT 58600-186, entitled "Longevity Pay," in the amount of \$700.00

DECREASE ACCOUNT 58600-210, entitled "Unemployment Insurance," in the amount of \$700.00

INCREASE ACCOUNT 58600-188, entitled "Bonus Pay," in the amount of \$176,063.00

INCREASE REVENUE ACCOUNT 49800, entitled "Operating Transfers," in the amount of \$176,063.00

INCREASE ACCOUNT 58600-201, entitled "Social Security," in the amount of \$35,000.00

DECREASE ACCOUNT 39000, entitled "Unappropriated Fund Balance," in the amount of \$35,000.00

These transfers are to estimate expenses through June 30th.

OTHER CHARGES

INCREASE ACCOUNT 58801-599, entitled "COVID – Other Charges," in the amount of \$11,250.16

DECREASE ACCOUNT 39000, entitled "Unappropriated Fund Balance," in the amount of \$11,250.16

This transfer is to account for an audit adjustment.

BE IT FURTHER RESOLVED that a true copy of this Resolution be spread upon the Commission record of this date.

PASSED 6-21-22

John Penn Ridgeway
JOHN PENN RIDGEWAY, CHAIRMAN
HENRY COUNTY COMMISSION

Donna Craig
DONNA CRAIG
COUNTY CLERK

APPROVED 6-21-22

John Penn Ridgeway
JOHN PENN RIDGEWAY
COUNTY MAYOR

RESOLUTION #2a-6-22

**A RESOLUTION OF THE HENRY COUNTY, TENNESSEE BOARD OF
COMMISSIONERS TO AUTHORIZE CERTAIN CHANGES IN THE BUDGET
FOR THE HENRY COUNTY GENERAL FUND
FOR FISCAL 2021-2022**

WHEREAS, the Board of County Commissioners of Henry County, Tennessee at its June Recessed Session, 2021, adopted the budget for the Henry County General Fund for fiscal 2021-2022; and,

WHEREAS, the said Board of County Commissioners of Henry County, Tennessee must authorize and approve any and all changes and amendments of the said budget of the Henry County General Fund; and,

WHEREAS, the expenditures authorized in the said budget of the Henry County General Fund will be insufficient in certain line items with funds being available for transfer; and,

WHEREAS, it is necessary and appropriate that the said budget of the Henry County General Fund be amended to provide additional funds for certain line items.

NOW, THEREFORE, BE IT RESOLVED by the Board of County Commissioners of Henry County, Tennessee assembled in regular session on this the 21st of June 2022, a majority or more of said membership concurring, that the budget for the Henry County General Fund be and hereby is amended as follows, to-wit:

SHERIFF'S OFFICE

INCREASE ACCOUNT 54210-187, "Overtime," in the amount \$4,000.00

DECREASE ACCOUNT 54110-187, "Overtime," in the amount \$2,000.00

DECREASE ACCOUNT 54110-187-001, "Overtime," in the amount \$2,000.00

This transfer is to put into the budget estimated expense through June 30th.

OTHER CHARGES

INCREASE ACCOUNT 58400-510, "Trustee Commission," in the amount \$10,000.00

DECREASE ACCOUNT 39000, "Unappropriated Fund Balance," in the amount \$10,000.00

This transfer is to put into the budget estimated expense through June 30th.

MISCELLANEOUS

DECREASE REVENUE ACCOUNT 47990, "Other Direct Federal Revenue," in the amount \$100,000.00

DECREASE ACCOUNT 58900-599, "Other Charges," in the amount
\$100,000.00

This transfer is to remove money for a FEMA grant that was put into the budget
in March 2022.

BE IT FURTHER RESOLVED that a true copy of this Resolution be spread upon
the Commission record of this date.

PASSED 6-21-22




JOHN PENN RIDGEWAY, CHAIRMAN
HENRY COUNTY COMMISSION



DONNA CRAIG
COUNTY CLERK

APPROVED 6-21-22



JOHN PENN RIDGEWAY
COUNTY MAYOR

RESOLUTION #3-6-22

A RESOLUTION OF THE HENRY COUNTY, TENNESSEE BOARD OF COMMISSIONERS TO AUTHORIZE CERTAIN CHANGES IN THE BUDGET FOR THE HENRY COUNTY SOLID WASTE FUND FOR FISCAL 2021-2022

WHEREAS, the Board of County Commissioners of Henry County, Tennessee at its June Recessed Session, 2021, adopted the budget for the Henry County Solid Waste Fund for fiscal 2021-2022; and,

WHEREAS, the said Board of County Commissioners of Henry County, Tennessee must authorize and approve any and all changes and amendments of the said budget of the Henry County Solid Waste Fund; and,

WHEREAS, the expenditures authorized in the said budget of the Henry County Solid Waste Fund will be insufficient in certain line items with funds being available for transfer; and,

WHEREAS, it is necessary and appropriate that the said budget of the Henry County Solid Waste Fund be amended to provide additional funds for certain line items.

NOW, THEREFORE, BE IT RESOLVED by the Board of County Commissioners of Henry County, Tennessee assembled in regular session on this the 21st of June 2022, a majority or more of said membership concurring, that the budget for the Henry County Solid Waste Fund be and hereby is amended as follows, to-wit:

INCREASE ACCOUNT 55751-425, entitled "Fuel," in the amount of \$5,000.00

DECREASE ACCOUNT 55751-338, entitled "Maintenance & Repair - Vehicle," in the amount of \$3,000.00

DECREASE ACCOUNT 55710-355, entitled "Travel" in the amount of \$2,000.00

INCREASE ACCOUNT 55751-336, entitled "Maintenance & Repair - Equipment," in the amount of \$3,000.00

DECREASE ACCOUNT 39000, entitled "Unappropriated Fund Balance," in the amount of \$3,000.00

INCREASE ACCOUNT 55751-435, entitled "Office Supplies" in the amount of \$2.00

DECREASE ACCOUNT 55710-435, entitled "Office Supplies" in the amount of \$2.00

INCREASE ACCOUNT 55751-452, entitled "Utilities" in the amount of \$500.00

DECREASE ACCOUNT 39000, entitled "Unappropriated Fund Balance" in the amount of \$500.00

BE IT FURTHER RESOLVED that a true copy of this Resolution be spread upon the Commission record of this date.

PASSED 6-21-22


JOHN PENN RIDGEWAY, CHAIRMAN
HENRY COUNTY COMMISSION


DONNA CRAIG
COUNTY CLERK

APPROVED 6-21-22


JOHN PENN RIDGEWAY
COUNTY MAYOR

RESOLUTION #4-6-22

A RESOLUTION OF THE HENRY COUNTY, TENNESSEE BOARD OF COMMISSIONERS TO AUTHORIZE CERTAIN CHANGES IN THE BUDGET FOR THE HENRY COUNTY HIGHWAY FUND FOR FISCAL 2021-2022

WHEREAS, the Board of County Commissioners of Henry County, Tennessee at its June Recessed Session, 2021, adopted the budget for the Henry County Highway Fund for fiscal 2021-2022; and,

WHEREAS, the said Board of County Commissioners of Henry County, Tennessee must authorize and approve any and all changes and amendments of the said budget of the Henry County Highway Fund; and,

WHEREAS, the expenditures authorized in the said budget of the Henry County Highway Fund will be insufficient in certain line items with funds being available for transfer; and,

WHEREAS, it is necessary and appropriate that the said budget of the Henry County Highway Fund be amended to provide additional funds for certain line items.

NOW, THEREFORE, BE IT RESOLVED by the Board of County Commissioners of Henry County, Tennessee assembled in regular session on this the 21st of June 2022, a majority or more of said membership concurring, that the budget for the Henry County Highway Fund be and hereby is amended as follows, to-wit:

INCREASE ACCOUNT 640189, entitled "Other Salaries & Wages," in the amount of \$690.40

INCREASE ACCOUNT 640429, entitled "Instructional Supplies," in the amount of \$137.06

INCREASE ACCOUNT 640432, entitled "Library/Media," in the amount of \$2,508.51

DECREASE ACCOUNT 640599, entitled "Other Charges," in the amount of \$3,335.97

INCREASE REVENUE ACCOUNT 46410, entitled "State Bridge Program," in the amount of \$594,913.00

INCREASE ACCOUNT 680705, entitled "Bridge Construction," in the amount of \$594,913.00

INCREASE REVENUE ACCOUNT 49700, entitled "Insurance Recovery," in the amount of \$81,653.00

INCREASE ACCOUNT 680718, entitled "Motor Vehicles," in the amount of 25,302.00

INCREASE ACCOUNT 680336, entitled "Maintenance & Repair - Vehicle," in the amount of \$30,000.00

INCREASE ACCOUNT 39000, entitled "Unappropriated Fund Balance," in the amount of \$26,351.00

INCREASE ACCOUNT 650322, entitled "Evaluation & Testing," in the amount of \$1,900.00

INCREASE ACCOUNT 650511, entitled "Vehicle Insurance," in the amount of \$5,585.00

INCREASE ACCOUNT 650510, entitled "Trustee Commission," in the amount of \$2,554.00

DECREASE ACCOUNT 39000, entitled "Unappropriated Fund Balance," in the amount of \$10,039.00

INCREASE ACCOUNT 631412, entitled "Diesel Fuel," in the amount of \$60,000.00

DECREASE ACCOUNT 39000, entitled "Unappropriated Fund Balance," in the amount of \$60,000.00

INCREASE ACCOUNT 610140, entitled "Salary Supplements," in the amount of \$43,700.00

INCREASE ACCOUNT 49800, entitled "Transfers In," in the amount of \$43,700.00

INCREASE ACCOUNT 610103, entitled "Admin Asst," in the amount of \$1,000.00

INCREASE ACCOUNT 610161, entitled "Secretary," in the amount of \$1,000.00

INCREASE ACCOUNT 610163, entitled "Clerical," in the amount of \$1,000.00

DECREASE ACCOUNT 39000, entitled "Unappropriated Fund Balance," in the amount of \$3,000.00

INCREASE ACCOUNT 620438, entitled "Pipe Culverts," in the amount of \$778.00

DECREASE ACCOUNT 39000, entitled "Unappropriated Fund Balance," in the amount of \$778.00

INCREASE REVENUE ACCOUNT 40110, entitled "Property Tax," in the amount of \$34,000.00

INCREASE REVENUE ACCOUNT 40150, entitled "Pick-up Tax," in the amount of \$2,300.00

INCREASE REVENUE ACCOUNT 40163, entitled "Payment in Lieu," in the amount of \$19,700.00

INCREASE REVENUE ACCOUNT 40320, entitled "Bank Excise Tax," in the amount of \$3,400.00

INCREASE REVENUE ACCOUNT 44170, entitled "Miscellaneous Refunds," in the amount of \$15,600.00

INCREASE ACCOUNT 39000, entitled "Unappropriated Fund Balance," in the amount of \$75,000.00

BE IT FURTHER RESOLVED that a true copy of this Resolution be spread upon the Commission record of this date.

PASSED 10.21.22


JOHN PENN RIDGEWAY, CHAIRMAN
HENRY COUNTY COMMISSION


DONNA CRAIG
COUNTY CLERK

APPROVED 10.21.22


JOHN PENN RIDGEWAY
COUNTY MAYOR

RESOLUTION #5-6-22

A RESOLUTION OF THE HENRY COUNTY, TENNESSEE BOARD OF COMMISSIONERS TO AUTHORIZE CERTAIN CHANGES IN THE BUDGET FOR THE HENRY COUNTY GENERAL PURPOSE SCHOOL FUND FOR FISCAL 2021-2022

WHEREAS, the Board of County Commissioners of Henry County, Tennessee at its June Recessed Session, 2021, adopted the budget for the Henry County General Purpose School Fund for fiscal 2021-2022; and,

WHEREAS, the said Board of County Commissioners of Henry County, Tennessee must authorize and approve any and all changes and amendments of the said budget of the Henry County General Purpose School Fund; and,

WHEREAS, the expenditures authorized in the said budget of the Henry County General Purpose School Fund will be insufficient in certain line items with funds being available for transfer; and,

WHEREAS, it is necessary and appropriate that the said budget of the Henry County General Purpose School Fund be amended to provide additional funds for certain line items.

NOW, THEREFORE, BE IT RESOLVED by the Board of County Commissioners of Henry County, Tennessee assembled in regular session on this the 21st of June 2022, a majority or more of said membership concurring, that the budget for the Henry County General Purpose School Fund be and hereby is amended as follows, to-wit:

<u>Account Number Description</u>			<u>Debit</u>	<u>Credit</u>
<u>General Purpose School Fund</u>				
<u>Increase Expenditure Account</u>				
71100	195	Certified Substitutes	\$6,500.00	
71100	207	Medical Insurance	\$6,802.00	
71100	217	Hybrid Retirement	\$7,900.00	
71100	336	Maintenance & Repair Tech	\$3,600.00	
71200	116	Teachers	\$3,600.00	
71200	163	911 Personal Assistants	\$30,365.00	
71200	198	Non-Certified Substitute Teachers	\$800.00	
71200	207	Medical Insurance	\$5,183.00	
71300	198	Non-Certified Substitute Teachers	\$1,200.00	
71300	217	Hybrid Retirement	\$1,768.00	
71300	430	Electronic Textbooks	\$120.00	
71300	449	Textbooks	\$2,200.00	
72110	399	Contracted Services	\$1,800.00	
72120	105	Supervisor	\$7.26	
72320	123	Guidance	\$1,844.00	
72210	162	Clerical Personnel	\$6,679.00	

72210	217	Hybrid Retirement	\$31.98
72220	204	State Retirement	\$25.00
72250	105	Supervisor	\$986.00
72310	118	Secretary to Board	\$160.00
72310	204	Retirement	\$9.00
72410	104	Principals	\$46,655.00
72620	399	Other Contracted Services	\$35,300.00
72620	499	Other Supplies & Materials	\$26,225.00
72710	338	Maintenance & Repair of Vehicles	\$20,000.00

**General Purpose School Fund
Increase Expenditure Account -
continued**

			<u>Debit</u>	<u>Credit</u>
72710	412	Diesel Fuel	\$31,000.00	
72710	453	Vehicle Parts	\$41,300.00	
73300	163	Educational Assistants	\$5,011.00	

Decrease Expenditure Account

71100	116	Teachers		\$126,500.00
71100	204	State Retirement		\$58,250.00
71300	207	Medical Insurance		\$19,000.00
72410	139	Assistant Principals		\$46,000.00
72410	207	Medical Insurance		6,645.00
72620	207	Medical Insurance		6,800.00
72710	207	Medical Insurance		10,100.00
72710	729	Transportation Equipment		\$ 13,776.24
			<u>\$287,071.24</u>	<u>\$287,071.24</u>

Account Number Description

General Purpose School Fund- Coordinated School Health

Increase Expenditure Account

72120	131	19	Medical Personnel	10,027.25	
72120	131	15	Medical Personnel	3,700.00	
72120	201	19	Social Security	868.00	
72120	207	19	Medical Insurance	900.00	
72120	790		Equipment	95.20	
72120	499	141	Other Materials & Supplies	19,305.56	
72120	524	141	Inservice Staff Development	1,406.31	

Decrease Expenditure Account

72120	131	141	Medical Personnel		28,449.36
72120	189	141	Other Salaries & Wages		272.44
72120	201	141	Social Security		1,779.76
72120	204	141	State Retirement		128.24
72120	207	141	Medical Insurance		3,917.52
72120	212	141	Medicare		255.00
72120	399	141	Other Contracted Services		1,500.00
				<u>\$36,302.32</u>	<u>\$36,302.32</u>

****This Revision is required to adjust cost centers with grant & purchase additional materials & supplies

Account Number Description
General Purpose School Fund

Debit

Credit

Increase Expenditure Account

71100

71100	207	Medical Insurance	\$10,000.00	
71200	599	Other Charges	\$5,000.00	
72610	207	Medical Insurance	\$3,979.00	
726120	434	Natural Gas	\$7,500.00	
72710	307	Communication	\$98.00	
73300	313	Contracts with Parents	\$6,500.00	
	105	Supervisor	\$2,852.00	

Decrease Expenditure Account

71100

71200	198	Non-Certified Substitutes		\$10,000.00
71300	399	Other Contracted Services		\$3,979.00
72610	207	Medical Insurance		\$8,000.00
72710	720	Equipment		\$7,598.00
	729	Equipment		\$6,352.00
			<u>\$35,929.00</u>	<u>\$35,929.00</u>


BE IT FURTHER RESOLVED that a true copy of this Resolution be spread upon the Commission record of this date.

PASSED 6-21-22


 JOHN PENN RIDGEWAY, CHAIRMAN
 HENRY COUNTY COMMISSION


 DONNA CRAIG
 COUNTY CLERK

APPROVED 6-21-22


 JOHN PENN RIDGEWAY
 COUNTY MAYOR

ROLL CALL
COUNTY COMMISSION, HENRY COUNTY, DONNA CRAIG, COUNTY CLERK
PARIS, TENNESSEE

Commissioner Starks made a motion to approve the First Reading of Resolution 6-6-22, to provide for appropriations to non-profit or civic organizations. The motion was seconded by Commissioner Humphreys.

ITEM NO. 9

	ABSENT	PRESENT	MOTION	SECOND	AYE	NO	ABSTAIN	PASS
BERRY, JERRY	X							
BRADLEY, WESLEY					X			
CARTER, DELL					X			
CARTER, GREG					X			
COPELAND, JAMES					X			
GEAN, RANDY					X			
HUMPHREYS, KENNETH				X	X			
JONES, DON					X			
KYLE, KREG					X			
NEAL, PAUL					X			
STARKS, MONTE			X		X			
TRAVIS, JAMES					X			
VISSER, MARTY	X							
WEBB, DAVID					X			
WILLIAMS, DREW					X			
TOTAL	2				13			

MOTION CARRIED

DATE : 6-21-22

RESOLUTION NO. 6-6-22

**A RESOLUTION OF THE HENRY COUNTY, TENNESSEE
BOARD OF COMMISSIONERS TO PROVIDE FOR
APPROPRIATIONS TO NON-PROFIT OR
CIVIC ORGANIZATIONS**

WHEREAS, Tennessee Code Annotated, Section 5-9-109, provides that county legislative bodies may appropriate funds for the financial aid of any non-profit charitable or civic organizations meeting the requirements of such section; and

WHEREAS, a non-profit charitable organization is defined in such law as one in which no part of the net earnings inures or may lawfully inure to the benefit of any private shareholder or individual and which provides services benefiting the general welfare of the residents of the county; and

WHEREAS, such law further provides that funds appropriated in conformity with the law shall be spent according to guidelines established by the Comptroller of the Treasury and guidelines establishing the purposes for which the money may be spent; and

WHEREAS, the attached list of non-profit entities meets the definitions of this law and it is the intent of this county legislative body to make an appropriation to the attached list of non-profit organizations so that funds may be used to carry out their respective programs of work for the benefit of the residents of Henry County; and

WHEREAS, in conformity with the requirements of Tennessee Code Annotated, Section 5-9-109 (d) with notices to be published before the second reading of the County Commission in a newspaper of general circulation in Henry County of the intent to make an appropriation in the amount of \$91,950.00 to be used for the purpose of providing services to benefit the general welfare of Henry County residents.

NOW, THEREFORE, BE IT RESOLVED, by the Henry County Legislative Body, meeting in regular session on this 21st day of June 2022, that:

SECTION 1. The sum of \$91,950.00 is hereby appropriated to varied non-profit organizations during Fiscal Year 2022-2023 as per the attached document to be used for the benefit of the general welfare of the residents of Henry County, Tennessee, in accordance with the following guidelines: that funds shall be spent according to guidelines established by the Comptroller of the Treasury of the State of Tennessee.

SECTION 2. The recipients of such funds shall file a copy of their annual report of its business affairs with the Henry County Clerk, a copy of the annual audit, its program which serves residents of the county, and the proposed use of county assistance in accordance with the requirements of Tennessee Code Annotated, Section 5-9-109(c)(1) or the annual report detailing receipts and expenditures provided for in Tennessee Code Annotated, Section 5-9-109(c)(3). The report must be certified by the chief financial officer of the non-profit organization in accordance with the provision of Tennessee Code Annotated, Section 5-9-109(c)(4).

BE IT FURTHER RESOLVED by the Board of County Commissioners of Henry County, Tennessee, meeting in regular session at the Henry County courthouse on this 21st day of June, 2022, a majority or more of the membership concurring, that the attached list of non-profit charitable civic organizations be approved for contributions on the first reading.

BE IT FINALLY RESOLVED that a true copy of this Resolution be spread upon the Commission record of this date.

PASSED 6.21.22



 JOHN PENN RIDGEWAY, CHAIRMAN
 HENRY COUNTY COMMISSION



 DONNA CRAIG
 COUNTY CLERK

APPROVED 6.21.22



 JOHN PENN RIDGEWAY
 HENRY COUNTY MAYOR

NON-PROFIT ORGANIZATIONS

	<u>Amount Recommended</u> <u>2022-2023</u>
1. Volunteer Fire Departments	31,200.00
2. Aspell Recovery Center	1,500.00
3. Buddy Ball	500.00
4. St. John's/Community Services	4,000.00
5. Habitat for Humanity	2,000.00
6. Henry CASA Program	1,000.00
7. Henry Co. Fair Association	5,250.00
8. HC Youth Baseball Assn.	5,250.00
9. KY Lake Girls Assn. (ASA)	5,250.00
10. Paris Academy for the Arts	5,000.00
11. Paris Downtown Boxing	1,500.00
12. Paris-HC Arts Council	2,000.00
13. Paris- HC Heritage Center	10,000.00
14. Paris-HC Rescue Squad	8,500.00
15. Star Center	500.00
16. TN College of Applied Technology (TCAT)	1,500.00
17. Carl Perkins Center	3,500.00
18. West TN Hearing & Speech	1,500.00
19. WRAP	2,000.00
<div style="display: flex; justify-content: space-between;"> TOTAL \$ 91,950.00 </div>	

ROLL CALL
COUNTY COMMISSION, HENRY COUNTY, DONNA CRAIG, COUNTY CLERK
PARIS, TENNESSEE

Commissioner Kyle made a motion to approve Resolution 7-6-22, to make the annual review of the Model Debt Policy for Henry County in compliance with requirements of the Governor's Three Star Program. The motion was seconded by Commissioner Bradley.

ITEM NO. 10

	ABSENT	PRESENT	MOTION	SECOND	AYE	NO	ABSTAIN	PASS
BERRY, JERRY	X							
BRADLEY, WESLEY				X	X			
CARTER, DELL					X			
CARTER, GREG					X			
COPELAND, JAMES					X			
GEAN, RANDY					X			
HUMPHREYS, KENNETH					X			
JONES, DON					X			
KYLE, KREG			X		X			
NEAL, PAUL					X			
STARKS, MONTE					X			
TRAVIS, JAMES					X			
VISSER, MARTY	X							
WEBB, DAVID					X			
WILLIAMS, DREW					X			
TOTAL	2				13			

MOTION CARRIED

DATE : 6-21-22

RESOLUTION NO. 7-6-22

A RESOLUTION OF THE HENRY COUNTY, TENNESSEE BOARD OF COMMISSIONERS TO MAKE THE ANNUAL REVIEW OF THE MODEL DEBT POLICY FOR HENRY COUNTY IN COMPLIANCE WITH REQUIREMENTS OF THE GOVERNOR'S THREE STAR PROGRAM

WHEREAS, Henry County adopted a Modified Debt Policy in its September 18, 2017, commission meeting; and

WHEREAS, to remain in compliance for eligibility of the Governor's Three Star Program, the Model Debt Policy must be reviewed annually; and

WHEREAS, the Henry County Board of Commission, prior to the issuance of debt in fiscal year 2022-2023 has reviewed and amended the Henry County Modified Model Debt Policy.

NOW, THEREFORE, BE IT RESOLVED by the Board of Commissioners of Henry County, Tennessee, assembled in regular session on this 21st day of June, 2022 a majority or more of the membership concurring, does hereby make the annual review and acceptance of the Model Debt Policy for fiscal year 2022-2023.

BE IT FINALLY RESOLVED that a true copy of this Resolution and the attached (as modified September 18, 2017) Debt Management Policy be spread upon the Commission record of this date.

PASSED 6.21.22



JOHN PENN RIDGEWAY, CHAIRMAN
HENRY COUNTY COMMISSION



DONNA CRAIG
COUNTY CLERK

APPROVED 6.21.22



JOHN PENN RIDGEWAY
HENRY COUNTY MAYOR

Henry County, Tennessee

Debt Management Policy

(As modified January 20, 2012, November 21, 2016, August 21, 2017, and September 18, 2017)

Goal/Mission: To provide management with appropriate guidelines and direction to assist in making sound debt management decisions. To further demonstrate strong financial management practices for our county citizens, outside investors, and credit agencies.

Objectives:

- Enhance decision process transparency and identify all expenditures of principal, interest, and annual costs along with issue specific transaction costs
- Address hiring outside professionals
- Address any potential conflict of interest issues
- Additional requirements for new debt

1. Enhance transparency of decisions by way of Annual Budgets and Specific New Issue Report

Responsibilities for analysis and reporting shall be with the county mayor, director of accounts and budgets and the county's budget committee. All meetings are considered open to the public and are announced via the local media.

To insure transparency of decisions, an annual debt service budgets, as well as specific issuance debt reports (i.e. those required by state law) shall be prepared and available for public review and comment. County officials will comply with State of Tennessee Open Record laws and respond to record requests from any citizen of Tennessee promptly.

Annual Debt Report

An annual debt payment report shall be submitted to the county commission with the annual debt budget. The annual report shall consist of:

- Budget summary and detailed budget as required by Comptroller's Office.
- Net debt calculation – total principal outstanding less most recent year respective debt fund balance.
- Reports will reflect estimated fund balance.

Annual Debt Budgets

Annual Debt Budgets shall be adopted by the county legislative body and comply with legal notice and filings requirements per state law.

New Debt Issuance

Any new debt issuance shall comply with State Form CT-0253 as well as any other state required forms that detail all associated costs for the issuance of the proposed debt. These records will be available for public and county commission inspection prior to the commission approval of the debt issuance.

2. Hiring of professionals for Debt Issuance

- From time to time the county may hire legal counsel, a financial advisor or underwriter to assist in issuance of debt.
- Financial Advisor: The county shall enter into a written agreement with each person or firm serving as financial advisor for debt management and transactions. Whether in a negotiated or competitive sale, the financial advisor shall not be permitted to bid on, privately place or underwrite an issue for which they are providing advisory services for the issuance. The county will utilize the most current definition of "financial advisor", as

determined by the U.S. Securities and Exchange Commission and the Municipal Securities Rulemaking Board, when determining what exactly defines a financial advisor.

- Underwriter: If there is an underwriter, the county shall require the underwriter to clearly identify itself in writing (e.g. in a response to a request for proposal or in promotional materials provided to the issuer) as an underwriter and not as a financial advisor from the earliest stages of its relationship with the county with respect to that issue. The underwriter must clarify its primary role as a purchaser of securities in an arm's-length commercial transaction and that it has financial and other interests that differ from those of the county's. The underwriter in a publically offered, negotiated sale shall be required to provide pricing information both as to interest rates and to takedown per maturity to the governing body in advance of the pricing of the debt
- All professionals involved with the cost of issuance of debt shall disclose the estimated cost of their respective services including "soft" costs or compensations in lieu of direct payments to the county commission prior to the issuance of the debt.

3. Conflict of interest issues

- It is required that all professionals related to the debt issue will enter into a written engagement letter related to their proposed services, cost, and any potential conflict of interest. These letters will be signed by the county mayor and are open records.
- Professionals involved in a debt transaction hired or compensated by the county shall be required to disclose to the county existing client and business relationships between and among the professionals to a transaction (including but not limited to financial advisor, swap advisor, bond counsel, swap counsel, trustee, paying agent, underwriter, counterparty, and remarketing agent), as well as conduit issuers, sponsoring organizations and program administrators. This disclosure shall include that information reasonably sufficient to allow the county to appreciate the significance of the relationships. No engagement letter is required for any lawyer who is an employee of the county or lawyer or law firm which is under a general appointment or contract to serve as counsel to the

county. The county does not need an engagement letter with counsel not representing the county, such as underwriters' counsel.

- Professionals who become involved in the debt transaction as a result of a bid submitted in a widely and publicly advertised competitive sale conducted using an industry standard, electronic bidding platform are not subject to this disclosure. No disclosure is required that would violate any rule or regulation of professional conduct.

4. Additional Requirements for New Debt

- All leases will be reviewed by the county mayor and director of accounts and budgets prior to execution of the lease, in order to determine if the instrument is a capital or operating lease. No county official that is not authorized by State statute should execute a capital lease on behalf of the county. All capital leases will be presented for approval prior to execution to the county commission.
- In accordance with State statute, no repayment schedule of debt will extend past the useful life of the asset that the funds are being issued for. The most current, adopted county's fixed asset policy will be referenced for asset useful lives.
- If borrowing using capital outlay notes, the county will solicit a competitive bid from local banks as well as any other loan source deemed appropriate. In all instances the county will select the lowest and/or best offer as determined by the county mayor and director of accounts and budgets.
- The county commission may utilize variable rate debt in the county's overall debt management plan. The variable rate debt may utilize the opportunity presented by the local government loan pool through a public building authority borrowing. Such variable rate debt, including the percentage of variable-rate to fixed-rate debt in the overall debt portfolio will be discussed and approved by the county commission in a public meeting prior to issuance. The percentage ratio in the debt portfolio will be dependent upon market conditions and overall debt management discussions with the county commission. In the case of an advanced refunding or a refunding opportunity, an analysis report shall be provided which fully explains the reasons for the refunding and the net savings and costs of the refunding which will include not only interest charges, but also the fees associated

with the transaction. Absent other reasons such as the opportunity to eliminate onerous requirements contained in existing documents or other reasons recommended by the county mayor and director of accounts and budgets to the county commission for consideration and approval, the county has established a minimum net present value savings threshold of at least 3.0% of the refunded principal amount. Refunding opportunities may be considered by the county using any savings threshold if the refunding generates positive net present value savings. The decision to take less than 3.0% net present value savings or to take the savings in any matter other than a traditional year-to-year level savings pattern will be considered by the county mayor and director of accounts and budgets and discussed with county commission. To the extent required by law, this analysis or plan shall be sent to the Director of State and Local Finance for review. The Director normally must report directly to the county on the analysis or plan of refunding prior to formal consideration by county commission. Such refundings will be discussed and must be approved with the county commission at a public meeting prior to issuance.

- State Form CT- 0253 will be prepared and submitted as required by state law.

5. Types and Limits of Debt

- It is in the best interest of the county's citizens to maintain a debt portfolio utilizing individual debt issues in a manner that minimizes interest paid, the real cost of debt, and other related costs as well as repaying principal as rapidly as possible to create financial flexibility and future debt capacity. Generally, balloon indebtedness does not always meet these objectives
- As a general rule, the county will not backload, use "wrap-around" techniques, balloon payments or other unusual formats to pursue the financing of projects. Any exception to the general rule, will only take place when sufficient due diligence from the county mayor and director of accounts and budgets has occurred and is presented to the county commission in a public meeting for concurrence. The county may utilize non-level debt methods as determined in the best interest of the county and its taxpayers by the county mayor and director of accounts and budgets and has been presented to the county commission in a public meeting for approval.

- Exhibit A attached hereto is the plan for balloon debt management.

6. General Guidance and Review

- The policy is intended to provide general direction regarding the future issuance of debt. The county maintains the right to modify this policy and may make exceptions to any of its guidelines at any time to the extent that the execution of such debt achieves the goals of the county as long as such exceptions or changes are consistent with Tennessee law and any rules and regulations adopted by the State. In accordance with the requirements of Section 9-18-102, Tennessee Code Annotated, the county commission shall establish and maintain internal controls over the debt management process. The county commission shall annually review this Debt management Policy and perform a risk assessment on the related internal control procedures and debt management process.
- This policy should be reviewed from time to time as circumstances, rules and regulations or other changes occur.
- The county mayor and director of accounts and budgets are responsible for ensuring substantial compliance with this policy.

7. Internal Controls

- In accordance with the requirements of Section 9-18-102, Tennessee Code Annotated, the county commission using its audit committee and appropriate county personnel shall perform a risk assessment of the debt management process to put into place effective internal controls to implement the Debt Policy.

8. Periodic Review

- The Debt Management Policy and the Balloon Debt Management Plan incorporated as Exhibit A hereto (collectively, the "Policy") is intended to provide general direction regarding the future use and administration of debt obligations of the County. A violation of the Policy shall in no way be interpreted as a violation of law and shall have no bearing on the validity of any debt obligation issued by the County. The County reserves the right to modify the Policy (except to the extent certain elements of the Policy are mandated by applicable state law or regulation) and make exceptions to any of part of the Policy at any time.
- Unless the Policy is modified prior to formal consideration of a resolution or resolutions authorizing the sale and issuance of debt obligations, any exceptions to this Policy shall be expressly acknowledged in any formal resolution or resolutions authorizing the sale and issuance of any debt obligation of the County. In the event of a conflict between the terms of such resolution or resolutions and this Policy, the terms of the debt resolution or resolutions shall control.
- At least annually or as existing debt obligations and/or dedicated revenue streams roll off, this Policy shall be reviewed by the County Mayor and Director of Accounts and Budgets. At any time, the County Mayor may present recommendations for amendments, including but not limited to, deletions, additions, improvements or clarifications where appropriate to this Policy.

EXHIBIT A

BALLOON DEBT MANAGEMENT PLAN

Introduction

This Balloon Debt Management Plan (the "Debt Plan") is a written guideline to manage, reduce, and mitigate the effect of existing balloon indebtedness on the county's financial condition and to issue future debt structured with level principal payments or a level debt amortization. The county has previously issued balloon indebtedness as defined by Section 9-21-134, Tennessee Code Annotated ("Balloon Debt"). The purpose of this Debt Plan is to improve the quality of management and legislative decisions for the county regarding the structure of its current and future debt issuances consistent with the county's Debt Management Policy's ("DMP") goals and to do what is in the best interest of the county and its taxpayers.

Policy Statement

It is in the best interest of the county's citizens to maintain a debt portfolio utilizing individual debt issues in a manner that minimizes interest paid, the real cost of debt and other related costs as well as repaying principal as rapidly as possible to create financial flexibility and future debt capacity.

This Debt Plan formally establishes parameters for structuring debt and managing a debt portfolio that considers:

- Specific current capital improvement needs
- Future capital improvement needs
- Ability to repay financial obligations
- Impact on future debt capacity and revenues available for operations
- Existing legal, economic, and financial market conditions.

Specifically, the intent of the plan outlined in this document is to assist in the following:

- To guide the county commission in debt issuance decisions
- Except when facts and circumstances so dictate, establish a county commission policy to issue new money debt that is not balloon indebtedness as defined by Section 9-21-134, Tennessee Code Annotated
- To manage and mitigate the county's currently outstanding balloon indebtedness
- To promote sound financial management
- To protect the county's credit rating

Current History. When the most recent phases of school building financing were started in 2001, several bond issues were structured over time into a planned, integrated program resulting in a level debt or declining structure. All current school debt is secured and payable in whole or in part from a portion not exceeding \$722,000 of the County-wide 0.75% addition to the Local Option Sales Tax which was approved by County voters on August 4, 1983.

Prior to the adoption of the county's current debt policy, several bond issues were structured that met the subsequent definition of balloon indebtedness under Tennessee law even though when viewed collectively, all school debt undertaken has resulted in a level debt service structure.

Impact of Balloon Indebtedness. The overall level debt structure of the county's school debt has reduced its future debt capacity requiring it to either find new revenue sources to fund the new debt service or the issuance of new debt structured with a balloon payment structure.

EXISTING DEBT MANAGEMENT PLAN

Repayment Plan for Outstanding Balloon Indebtedness. If possible, the county commission will attempt to mitigate the impact of the current balloon indebtedness structure. The county commission intends to continue the existing plan of repayment for existing school debt structured as balloon indebtedness based on projected revenue only being sufficient to support the current payment structure. For balloon indebtedness refunded with balloon indebtedness there will be no

extension of debt, but the current amortization pattern will remain in place and existing revenues pledged for such purposes will continue. The county commission will follow the procedure described in future debt for balloon indebtedness when refunding its current balloon indebtedness.

FUTURE DEBT

New Debt. Consistent with the county's adopted DMP, the County commission intends to issue new debt with a level or declining payment structure. If warranted, the county commission will follow the procedure below for issuing new money debt as balloon indebtedness.

For the FY 2018 High School Capital Improvement Program, additional revenues will be required to service any new debt whether or not the structure of such new debt is deemed to be "Balloon Debt". Such additional revenue to pay debt service may come from one or more sources or a combination of such sources to include, but be not limited to, additional County-wide property tax revenue and/or additional increment on the existing County wheel tax.

FY 2018 High School Capital Improvement Program. For the FY 2018 High School Capital Improvement Program, additional revenues will be required to service any new debt whether or not the structure of such new debt is deemed to be "Balloon Debt". Such additional revenue to pay debt service may come from one or more sources or a combination of such sources to include, but be not limited to, additional County-wide property tax revenue and/or an additional increment on the existing County wheel tax.

Refunding of Debt. Upon determination by the county commission that a balloon indebtedness structure is in the public's best interest as described in New Debt, refinancing of debt structured as part of the long-standing overall program will continue to match existing debt service patterns given the underlying security and payment provisions pledged for each individual issue. If warranted, the county commission will follow the procedure below for issuing refunding debt as balloon indebtedness.

Procedure. Non-level debt methods may be used if the county commission determines it is in the public's best interest after due diligence as required by Section 5 of the County's DMP. The county commission will make that determination by analyzing the structure's impact on county revenues and future debt capacity. The analysis will include the proposed debt structure, including the principal and interest payments, and terms and life of the debt issue as well as a depiction showing the percentage of debt retired every five years on the proposed debt. Upon the determination balloon indebtedness is in the public's best interest, the county commission will submit a plan of balloon indebtedness for review and approval to the Director of State and Local Finance. The county commission will only adopt a bond resolution authorizing balloon indebtedness after receiving approval for its plan of balloon indebtedness.

ROLL CALL
COUNTY COMMISSION, HENRY COUNTY, DONNA CRAIG, COUNTY CLERK
PARIS, TENNESSEE

Commissioner Jones made a motion to approve Resolution 8-6-22, to enter into Interlocal Agreements with Municipalities RE: Collection of Property Taxes. The motion was seconded by Commissioner Kyle.

ITEM NO. 11

	ABSENT	PRESENT	MOTION	SECOND	AYE	NO	ABSTAIN	PASS
BERRY, JERRY	X							
BRADLEY, WESLEY					X			
CARTER, DELL					X			
CARTER, GREG					X			
COPELAND, JAMES					X			
GEAN, RANDY					X			
HUMPHREYS, KENNETH					X			
JONES, DON			X		X			
KYLE, KREG				X	X			
NEAL, PAUL					X			
STARKS, MONTE					X			
TRAVIS, JAMES					X			
VISSER, MARTY	X							
WEBB, DAVID					X			
WILLIAMS, DREW					X			
TOTAL	2				13			

MOTION CARRIED

DATE : 6-21-22

RESOLUTION NO. 8-6-22

A RESOLUTION OF THE HENRY COUNTY BOARD OF COMMISSIONERS TO ENTER INTO INTERLOCAL AGREEMENTS WITH MUNICIPALITIES RE: COLLECTION OF PROPERTY TAXES

WHEREAS, TENN. CODE ANN. § 67-5-1801, *et seq.* authorizes a County Trustee to collect municipal property taxes on behalf of municipalities within the boundaries of the collecting county; and

WHEREAS, certain municipalities within the boundaries of Henry County, Tennessee, desire that the Henry County Trustee collect such municipalities' property taxes; and

WHEREAS, the Henry County Trustee is willing to send tax notices and collect property taxes for municipalities located within Henry County upon the terms and conditions stated in the form interlocal agreements attached as *Exhibit A* and *Exhibit B* hereto; and

WHEREAS, it is in the best interest of persons and entities owning interests in real estate located within Henry County that payment of County and municipal taxes be collected by one centralized collector rather than multiple collectors; and

WHEREAS, Henry County and the municipalities located within Henry County are authorized to enter into interlocal agreements pursuant to TENN. CODE ANN. § 12-9-104, and it is appropriate that the arrangement whereby the Henry County Trustee will collect municipal taxes be formalized in interlocal agreements between the County and those municipalities; and

WHEREAS, the Henry County Board of Commissioners wishes to formally commit and allocate the 1% commission/fee that the Henry County Trustee will receive for collecting municipal property taxes to pay expenses associated with billing and collection of property taxes;

NOW, THEREFORE BE IT RESOLVED by the Board of Commissioners of Henry County, Tennessee, meeting in its regular session on this the 21st day of June, 2022, that Henry County, by and through its County Mayor and County Trustee, are authorized to enter into the Interlocal Agreement For Collection of Property Taxes in the form attached as *Exhibit A* with City of Cottage Grove, City of Henry, City of Paris, and/or City of Puryear—subject to the approval of such interlocal agreements by the respective governing body of each of said municipalities; and

BE IT FURTHER RESOLVED that Henry County, by and through its County Mayor and County Trustee, are authorized to enter into the Interlocal

Agreement For Collection of Property Taxes in the form attached as *Exhibit B* with City of McKenzie—subject to approval of such interlocal agreement by the governing body of City of McKenzie; and

BE IT FURTHER RESOLVED that the interlocal agreements shall be several and independent, with Henry County entering into a separate interlocal agreement with each municipality that duly approves such interlocal agreement; and


BE IT FURTHER RESOLVED that the 1% commission/fee that the Trustee will receive for collecting municipal property taxes pursuant to the aforesaid interlocal agreements shall be allocated to pay expenses associated with billing and collection of property taxes, with such funds to be used at the discretion of the Henry County Trustee for such purposes; and

BE IT FINALLY RESOLVED that a true copy of this Resolution be spread upon the Commission record of this date.

PASSED 6-29-22



JOHN PENN RIDGEWAY, CHAIRMAN
HENRY COUNTY COMMISSION



DONNA CRAIG
HENRY COUNTY CLERK

APPROVED 6-29-22



JOHN PENN RIDGEWAY
HENRY COUNTY MAYOR

EXHIBIT A

*Form Interlocal Agreement For Collection of Property Taxes for use with
City of Cottage Grove, City of Henry, City of Paris, and/or City of Puryear*

**INTERLOCAL AGREEMENT BETWEEN HENRY COUNTY, TENNESSEE AND THE
CITY OF _____ [insert City name] _____, TENNESSEE FOR THE
COLLECTION OF PROPERTY TAXES**

THIS INTERLOCAL AGREEMENT, ("Agreement"), is entered into by and between HENRY COUNTY, TENNESSEE, ("County"), a political subdivision of the State of Tennessee, and the CITY OF _____ [insert City name] _____, TENNESSEE, ("City"), a municipal government located within the County.

WHEREAS, County and City are both local governmental entities of the State of Tennessee and, as such, are authorized to enter into an interlocal agreement pursuant to TENN. CODE ANN. § 12-9-104; and

WHEREAS, currently City collects their own municipal property taxes; and

WHEREAS, TENN. CODE ANN. § 67-5-1801, *et seq.* authorizes a County Trustee to collect municipal property taxes on behalf of municipalities within the boundaries of the collecting county; and

WHEREAS, the terms of the interlocal define the obligations concerning collection of municipal property taxes, collection of delinquent municipal taxes, and establishment of a fee for provision of services provided on behalf of City in the amount equal to 1% of the City taxes collected by the County Trustee (calculated and paid on a per-parcel basis, as each parcel is collected); and

WHEREAS, the parties desire to cooperate to transfer the responsibility to collect City's municipal property taxes as well as a development of a plan to educate the public concerning the change in the process to collect the municipal property taxes:

NOW THEREFORE, in consideration of the mutual promises contained herein, the sufficiency of which is hereby acknowledged, the parties agree as follows:

- I. Purpose of Agreement.** The purpose of this Interlocal Agreement is to set forth the obligations of City and County for the transfer of the obligation to collect City's municipal property taxes and set the amount of the County Trustee's fee for collecting City taxes.
- II. Authority.** This Agreement is made and entered into pursuant to the authority granted to the parties under the *Interlocal Cooperation Act*, TENN. CODE ANN. § 12-9-101, *et seq.*, and the parties agree that all approvals and filings required by the terms of the Act shall be achieved as soon as possible from and after the execution of this Agreement. The authority for the County to collect municipal property taxes is found under TENN. CODE ANN. § 67-5-1801, *et seq.*
- III. City's Responsibilities.**
 - A. City shall individually develop, implement, and fund a plan to advertise and educate its respective property owners concerning the transfer of responsibilities to collect City's municipal property taxes. The plan shall include a detailed explanation of the change in the process to assess and collect municipal property taxes as well as the means of paying the municipal property taxes. City shall provide a copy of the plan to the County Trustee prior to implementing the plan to provide the Trustee the opportunity to comment on the proposed plan.
 - B. If City maintains a website, City shall post on such website links to the County Trustee's website and tennesseetrustee.org.
 - C. City shall continue to receive and respond to inquiries and questions from citizens regarding aspects of the collection of municipal property taxes.
 - D. City shall cooperate and assist County in responding to inquiries and questions concerning the collection of municipal property taxes that the County receives from property owners within City's jurisdictions. Should the County be unable to respond to an inquiry or question received from a property owner within City's jurisdiction, then County shall forward the inquiry or question to City to respond.

- E. City shall pay the fee set herein to the County for the collection of municipal property taxes.
- F. City shall, upon request of the County Trustee, cooperate with the County in developing the format and design of property tax statements to be sent by the County to taxpayers.
- G. City shall establish notification protocols to ensure all parties to a bankruptcy are properly notified, including notification to the County Trustee and—if the bankruptcy debtor is a defendant in a lawsuit seeking to collect delinquent taxes—the County Chancery Court and County Delinquent Tax Attorney.
- H. City shall cooperate with County concerning all aspects for the transfer of the responsibility of collecting municipal property taxes on the behalf of City.
- I. City shall comply with County procedures and guidelines created pursuant to this Agreement or related to the services provided by County under this Agreement.
- J. City shall continue to be solely responsible for the assessment, billing, and collection of fire fees.
- K. City shall be responsible for the assessment, billing, and collection of any future fees or assessment projects initiated by City.
- L. City shall implement safeguards against the collection of its municipal property taxes. City shall immediately remit any property taxes received by City to the Trustee's Office.

IV. County's Responsibilities.

- A. The County shall be responsible for the provision of personnel, equipment, and other needed resources required for the assessment and collection of municipal property taxes on behalf of City.
- B. The County shall be responsible for contacting the County software vendor to incorporate City's tax data including, but not limited to, delinquent amounts, rollback amounts, tax relief, and tax rates into the tax program used by the Trustee.
- C. The County shall obtain such services as may be necessary to assist in the collection of City's municipal property taxes.

V. Trustee's Responsibilities.

- A. **Assessment of the property tax rates.** The Trustee shall receive the tax assessment from the Henry County Assessor concerning those properties lying within City's jurisdiction.
- B. **Tax Notices.** The Trustee shall be responsible for the following:
 - 1. Issue municipal property tax notices starting in October of each tax year;
 - 2. Send delinquent municipal property tax notices to those property owners who have delinquent taxes;
 - 3. Record the assessment and issue municipal property tax notices for both locally assessed properties;
 - 4. Send bills concerning any properly authorized Payment-In-Lieu-of-Taxes programs existing within City's jurisdiction; and
 - 5. Provide bankruptcy postings to the tax records.

It is understood that names and addresses for tax notices are furnished by the taxpayers and, from time to time, may be out of date; these provisions require only the sending of notices to the last known taxpayer name/address according to the records of the County Trustee. These provisions shall not be interpreted to impose on the County Trustee a greater duty to send tax notices than is required of a municipal tax collector under applicable law.
- C. **Adjustment to Property Tax Rates.** The Trustee shall process adjustments received from the Henry County Property Assessor and shall post and process adjustments concerning roll back and tax relief programs.
- D. **Collection of Taxes.** The Trustee shall be responsible for the following:
 - 1. Collect each year's municipal property taxes on behalf of City including collecting partial taxes if authorized;
 - 2. Collect delinquent municipal property taxes in the same manner the Trustee collects delinquent County property taxes;

3. Process municipal property tax overpayments and refunds;
4. Apply the pay procedure that appropriately applies municipal property tax payments when prior year property taxes are due; and
5. Create a process and define safeguards that City shall implement to address property taxes that are paid directly to City. City shall immediately remit the received property taxes to the Trustee's Office.

E. **Delinquent Property Taxes.** The Trustee shall issue delinquent property tax bills and receive delinquent payments. The Trustee will work with the County Delinquent Tax Attorney to seek payment of delinquent municipal property taxes. The Trustee shall apply the same interest and penalties on behalf of City on a monthly basis for those municipal property taxes that are delinquent as provided in TENN. CODE ANN. § 67-5-2010. The existing interlocal agreement between the County and City concerning the enforcement of delinquent taxes through the filing of a delinquent tax collection lawsuit by the County Delinquent Tax shall remain in full force and effect.

F. **Tax Relief.** The Trustee shall be responsible for maintaining and administering applicable tax relief programs.

G. **Remittance of Property Taxes to City.** The Trustee shall remit collected property taxes received on behalf of City each month by the 13th day of the next month unless County provides notice to City of an event that will delay payment and the reason for the delay.

VI. Data Management.

A. Joint Obligations.

1. The parties shall cooperate to establish a schedule and plan for the issuance of annual municipal property tax notices.
2. The parties shall cooperate to establish a process for handling and combining data for reporting purposes.
3. If City uses a computer system to maintain tax information, to enable the Trustee to import City property tax information into its computer system: City shall either (i) make its property tax database accessible by the Trustee's computer system or (b) from time to time (at Trustee's request) export and furnish to the Trustee its property tax database in a format that the Trustee's computer system is capable of importing.
4. City shall provide all required data requested from the County.

B. Trustee's Obligations.

1. Obtain and load tax files received from the Henry County Property Assessor.
2. Obtain and load tax history files which, at the discretion of the Trustee, may be a "static" file for prior year paid property taxes.
3. Maintain separate County and City files concerning State Application Credit Vouchers. The parties shall cooperate in maintaining the separate files.
4. Maintain data to provide the ability to distinguish applicable taxing districts including the existence of assessment districts.

VII. Trustee's Fee.

- A. City shall pay the Trustee a fee for services rendered by the County and Trustee under this Agreement in the amount equal to 1% of the City taxes (including any associated interest and penalties) collected by the Trustee. The fee shall be calculated and withdrawn from each payment of City taxes upon collection.
- B. The Parties agree to cooperate in future negotiations should it later be determined that an increase or decrease in the fee is supported by increased or decreased costs of the County collecting municipal property taxes on behalf of City.

VIII. **Term.** This Agreement shall become effective for the purposes of collection of City taxes by the Trustee on July 1, 2022 (City shall not collect City taxes after June 30, 2022). This Agreement is effective for all other purposes as provided in Section XIII(M). The term of this Agreement is five years (ending on June 30, 2027). Thereafter, unless and until a party

gives the other party notice of termination as provided below, this Agreement shall automatically renew for one-year terms ending June 30 of each year.

IX. Termination.

- A. **Breach.** Should any party fail to fulfill in a timely and proper manner a material obligation under this Agreement or if any party should violate a material term of this Agreement, the non-breaching party shall provide the breaching party with notice of the breach. The breaching party will then have 30 calendar days from the receipt of the notice to cure the breach. Upon breach or default of any of the provisions set forth herein, the non-breaching party shall be entitled to any and all damages and other equitable relief permitted under the laws of the State of Tennessee.
- B. **Termination at End of Term.** Either party may unilaterally terminate this Agreement at the end of a term by written notice delivered to the other party at least 120 days prior to the end of the then-current term. Such termination shall not affect in any manner any prior existing obligations between the parties.
- C. **Termination for Convenience.** The parties may terminate this Agreement prior to the end of a term upon written agreement. Termination shall take effect on a date agreed to by the County and City. Such termination shall not affect in any manner any prior existing obligations between the parties.

X. Cost. Unless otherwise provided herein, each party shall be responsible for its own cost for the satisfaction of the obligations set forth herein.

XI. Cooperation. The parties agree to cooperate fully in order to successfully execute the terms and conditions of this Agreement including obtaining all regulatory and governmental approvals required by this Agreement recognizing that the intent of each party to the other is to serve the individual interests of each party while respecting the conditions and obligations of this Agreement.

XII. Limitation on Liability. Each party shall be responsible for its own actions, and the actions of its employees, contractors, subcontractors, and agents, conducted pursuant to this Agreement. Neither party shall be liable for claims against the other party unless liability is imposed under the Tennessee Governmental Tort Liability Act.

XIII. General Terms.

- A. **Choice of Law and Forum.** This Agreement shall be exclusively governed by the laws of the State of Tennessee. In the event that any section and/or term of this Agreement, or any exhibits hereto, becomes subject to litigation, the venue for such action will be exclusively maintained in a court of competent jurisdiction sitting in Henry County, Tennessee.
- B. **Notices.** All notices, demands and requests to be given hereunder by either party shall be in writing and must be sent by certified mail, return receipt requested. Notices sent from the City shall be mailed to the office address of the Henry County Mayor and Henry County Trustee and copied to the office address of the Henry County Attorney and Henry County Delinquent Tax Attorney. Notices sent from the County shall be mailed to the office address of the City Mayor and (if City has a City Manager) the office address of the City Manager.
- C. **Entire Agreement and Modifications in Writing.** This Agreement and any exhibits included herewith at the time of execution of this Agreement contain the entire agreement between the parties, and no statement, promises, or inducements made by either party or agent of either party that is not contained in this written Agreement shall be valid or binding; and this Agreement may not be enlarged, modified, or altered except in writing and signed by the parties and attached hereto.
- D. **Dispute Resolution.** The parties agree to participate in good faith non-binding mediation in an attempt to resolve any disputes. Notwithstanding the foregoing statement, any claims, disputes or other matters in question between the parties to this Agreement, arising out of or relating to this Agreement or breach thereof, shall be subject to and decided by a court of law.
- E. **Assignment.** The rights and obligations of this Agreement are not assignable.

- F. **Waiver.** No waiver of any provision of this Agreement shall be valid unless in writing and signed by the parties against who charged.
- G. **Headings.** The headings in this Agreement are for convenience and reference and are not intended to define or limit the scope of any provision of this Agreement.
- H. **Employment Practices.** Neither party shall subscribe to any personnel policy which permits or allows for the promotion, demotion, employment, dismissal or laying off of any individual due to race, creed, color, national origin, age, sex or which is in violation of applicable laws concerning the employment of individuals with disabilities. The parties shall not knowingly hire any unauthorized employees or fail to comply with record keeping requirements set forth in the Federal Immigration Reform and Control Act of 1986, Chapter 878 of the 2006 Tennessee Public Acts and all other applicable laws.
- I. **Relationship Between the Parties.** The relationship of the parties shall be that of an independent Contractor. No principal-agent or employer-employee relationship is created by this Agreement. The parties hereto shall not hold itself out in a manner contrary to the terms of this paragraph. No party shall become liable for any representation, act or omission of any other party contrary to the terms of this paragraph.
- J. **Severability.** If any one or more of the covenants, agreements or provisions of this Agreement shall be held contrary to any expressed provisions of law or contrary to any policy of expressed law, although not expressly prohibited, or contrary to any express provision of public policy, or shall for any reason whatsoever be held invalid, then such covenants, agreements or provisions shall be null and void and shall be deemed separate from the remaining covenants, agreements or provisions of this Agreement.
- K. **Specific Performance.** The parties recognize that the rights afforded to each under this Agreement are unique and, accordingly, County and City shall, in addition to such other remedies as may be available to them in equity, have the right to enforce their respective rights hereunder by an action for injunctive relief and/or specific performance to the extent permitted by law.
- L. **Compliance with Laws.** The parties shall comply with all laws of the United States of America, the State of Tennessee, and local laws and shall secure all necessary permits and licenses and keep the same in force during the term of this Agreement.
- M. **Effective Date.** This Agreement shall not be binding upon the parties until it has been properly approved by the legislative bodies of the respective parties, it has then been signed first by the authorized representatives for City and then by the authorized representatives of Henry County and has been filed in the office of the County Mayor. When it has been so signed and filed, this contract shall be effective as of the date written below.

[Remainder of page intentionally blank.]

IN WITNESS WHEREOF, the County and City have executed this Agreement effective as of the date and year written below.

COUNTY

By:

John Penn Ridgway Date: 6-28-22
County Mayor

By:

Randi A. Frink Date: 06-28-2022
County Trustee

CITY

By:

[Signature] Date: 06-29-2022
City Mayor

By:

Kim Foster Date: 6-28-22
City Manager or Recorder

EXHIBIT B

Form Interlocal Agreement For Collection of Property Taxes for use with City of McKenzie

INTERLOCAL AGREEMENT BETWEEN HENRY COUNTY, TENNESSEE AND THE CITY OF MCKENZIE, TENNESSEE FOR COLLECTION OF PROPERTY TAXES

THIS INTERLOCAL AGREEMENT, ("Agreement"), is entered into by and between HENRY COUNTY, TENNESSEE, ("County"), a political subdivision of the State of Tennessee, and the CITY OF MCKENZIE, TENNESSEE, ("City"), a municipal government *partially* located within the County.

WHEREAS, County and City are both local governmental entities of the State of Tennessee and, as such, are authorized to enter into an interlocal agreement pursuant to TENN. CODE ANN. § 12-9-104; and

WHEREAS, currently City collects their own municipal property taxes; and

WHEREAS, TENN. CODE ANN. § 67-5-1801, *et seq.* authorizes a County Trustee to collect municipal property taxes on behalf of municipalities within the boundaries of the collecting county; and

WHEREAS, the terms of the interlocal define the obligations concerning collection of municipal property taxes, collection of delinquent municipal taxes, and establishment of a fee for provision of services provided on behalf of City in the amount equal to 1% of the City taxes collected by the County Trustee (calculated and paid on a per-parcel basis, as each parcel is collected); and

WHEREAS, the parties desire to cooperate to transfer the responsibility to collect City's municipal property taxes (*only for those parcels located entirely within the boundary of the County*) as well as a development of a plan to educate the public concerning the change in the process to collect the municipal property taxes:

NOW THEREFORE, in consideration of the mutual promises contained herein, the sufficiency of which is hereby acknowledged, the parties agree as follows:

- VI. Purpose of Agreement.** The purpose of this Interlocal Agreement is to set forth the obligations of City and County for the transfer of the obligation to collect City's municipal property taxes and set the amount of the County Trustee's fee for collecting City taxes. *This Agreement applies only to parcels located entirely within the boundary of County, and each and every provision of this Agreement shall be interpreted in accordance with this limitation. The City shall remain solely responsible for collection of taxes, sending of tax notices, etc. as to parcels which are located (entirely or partially) outside the boundaries of County.*
- VII. Authority.** This Agreement is made and entered into pursuant to the authority granted to the parties under the *Interlocal Cooperation Act*, TENN. CODE ANN. § 12-9-101, *et seq.*, and the parties agree that all approvals and filings required by the terms of the Act shall be achieved as soon as possible from and after the execution of this Agreement. The authority for the County to collect municipal property taxes is found under TENN. CODE ANN. § 67-5-1801, *et seq.*
- VIII. City's Responsibilities.**
- M. City shall individually develop, implement, and fund a plan to advertise and educate its respective property owners concerning the transfer of responsibilities to collect City's municipal property taxes. The plan shall include a detailed explanation of the change in the process to assess and collect municipal property taxes as well as the means of paying the municipal property taxes. City shall provide a copy of the plan to the County Trustee prior to implementing the plan to provide the Trustee the opportunity to comment on the proposed plan.
 - N. If City maintains a website, City shall post on such website links to the County Trustee's website and tennesseetrustee.org.
 - O. City shall continue to receive and respond to inquiries and questions from citizens regarding aspects of the collection of municipal property taxes.
 - P. City shall cooperate and assist County in responding to inquiries and questions concerning the collection of municipal property taxes that the County receives from property owners within City's jurisdictions. Should the County be unable to respond to an inquiry or

question received from a property owner within City's jurisdiction, then County shall forward the inquiry or question to City to respond.

- Q. City shall pay the fee set herein to the County for the collection of municipal property taxes.
- R. City shall, upon request of the County Trustee, cooperate with the County in developing the format and design of property tax statements to be sent by the County to taxpayers.
- S. City shall establish notification protocols to ensure all parties to a bankruptcy are properly notified, including notification to the County Trustee and—if the bankruptcy debtor is a defendant in a lawsuit seeking to collect delinquent taxes—the County Chancery Court and Henry County Delinquent Tax Attorney.
- T. City shall cooperate with County concerning all aspects for the transfer of the responsibility of collecting municipal property taxes on the behalf of City.
- U. City shall comply with County procedures and guidelines created pursuant to this Agreement or related to the services provided by County under this Agreement.
- V. City shall continue to be solely responsible for the assessment, billing, and collection of fire fees.
- W. City shall be responsible for the assessment, billing, and collection of any future fees or assessment projects initiated by City.
- X. City shall implement safeguards against the collection of its municipal property taxes. City shall immediately remit any property taxes received by City to the Trustee's Office.

IX. County's Responsibilities.

- D. The County shall be responsible for the provision of personnel, equipment, and other needed resources required for the assessment and collection of municipal property taxes on behalf of City.
- E. The County shall be responsible for contacting the County software vendor to incorporate City's tax data including, but not limited to, delinquent amounts, rollback amounts, tax relief, and tax rates into the tax program used by the Trustee.
- F. The County shall obtain such services as may be necessary to assist in the collection of City's municipal property taxes.

X. Trustee's Responsibilities.

- C. **Assessment of the property tax rates.** The Trustee shall receive the tax assessment from the Henry County Assessor concerning those properties lying within City's jurisdiction.
- D. **Tax Notices.** The Trustee shall be responsible for the following:
 - 6. Issue municipal property tax notices starting in October of each tax year;
 - 7. Send delinquent municipal property tax notices to those property owners who have delinquent taxes;
 - 8. Record the assessment and issue municipal property tax notices for both locally assessed properties;
 - 9. Send bills concerning any properly authorized Payment-In-Lieu-of-Taxes programs existing within City's jurisdiction; and
 - 10. Provide bankruptcy postings to the tax records.

It is understood that names and addresses for tax notices are furnished by the taxpayers and, from time to time, may be out of date; these provisions require only the sending of notices to the last known taxpayer name/address according to the records of the County Trustee. These provisions shall not be interpreted to impose on the County Trustee a greater duty to send tax notices than is required of a municipal tax collector under applicable law.

- C. **Adjustment to Property Tax Rates.** The Trustee shall process adjustments received from the Henry County Property Assessor and shall post and process adjustments concerning roll back and tax relief programs.

D. Collection of Taxes. The Trustee shall be responsible for the following:

1. Collect each year's municipal property taxes on behalf of City including collecting partial taxes if authorized;
2. Collect delinquent municipal property taxes in the same manner the Trustee collects delinquent County property taxes;
3. Process municipal property tax overpayments and refunds;
4. Apply the pay procedure that appropriately applies municipal property tax payments when prior year property taxes are due; and
5. Create a process and define safeguards that City shall implement to address property taxes that are paid directly to City. City shall immediately remit the received property taxes to the Trustee's Office.

E. Delinquent Property Taxes. The Trustee shall issue delinquent property tax bills and receive delinquent payments. The Trustee will work with the County Delinquent Tax Attorney to seek payment of delinquent municipal property taxes. The Trustee shall apply the same interest and penalties on behalf of City on a monthly basis for those municipal property taxes that are delinquent as provided in TENN. CODE ANN. § 67-5-2010.

Pursuant to TENN. CODE ANN. § 67-5-2005(a)-(b), responsibility for enforcement and collection of delinquent taxes on parcels subject to this Agreement (i.e., those parcels located wholly within the City and wholly within the County, beginning with Tax Year 2022) will transition to the County Trustee and Henry County Delinquent Tax Attorney (see also procedure for collection of taxes in such circumstances in Title 67, Chapter 5, Parts 24 and 25 of the Tennessee Code). Accordingly, The City and County shall work with the City's attorney (the attorney presently responsible for collecting delinquent taxes for the City pursuant to Title 6, Chapter 55, Part 2 of the Tennessee Code) and the Henry County Delinquent Tax Attorney to transition responsibility for collection of such delinquent taxes to the Henry County Delinquent Tax Attorney. To accomplish this, the parties anticipate entering into a separate interlocal agreement concerning the enforcement and collection of delinquent taxes prior to the filing of the complaint to enforce Tax Year 2022 delinquent taxes.

F. Tax Relief. The Trustee shall be responsible for maintaining and administering applicable tax relief programs.

H. Remittance of Property Taxes to City. The Trustee shall remit collected property taxes received on behalf of City each month by the 13th day of the next month unless County provides notice to City of an event that will delay payment and the reason for the delay.

VI. Data Management.

A. Joint Obligations.

1. The parties shall cooperate to establish a schedule and plan for the issuance of annual municipal property tax notices.
2. The parties shall cooperate to establish a process for handling and combining data for reporting purposes.
3. If City uses a computer system to maintain tax information, to enable the Trustee to import City property tax information into its computer system: City shall either (i) make its property tax database accessible by the Trustee's computer system or (b) from time to time (at Trustee's request) export and furnish to the Trustee its property tax database in a format that the Trustee's computer system is capable of importing.
4. City shall provide all required data requested from the County.

B. Trustee's Obligations.

1. Obtain and load tax files received from the Henry County Property Assessor.
2. Obtain and load tax history files which, at the discretion of the Trustee, may be a "static" file for prior year paid property taxes.
3. Maintain separate County and City files concerning State Application Credit Vouchers. The parties shall cooperate in maintaining the separate files.

4. Maintain data to provide the ability to distinguish applicable taxing districts including the existence of assessment districts.

VII. Trustee's Fee.

- A. City shall pay the Trustee a fee for services rendered by the County and Trustee under this Agreement in the amount equal to 1% of the City taxes (including any associated interest and penalties) collected by the Trustee. The fee shall be calculated and withdrawn from each payment of City taxes upon collection.
- B. The Parties agree to cooperate in future negotiations should it later be determined that an increase or decrease in the fee is supported by increased or decreased costs of the County collecting municipal property taxes on behalf of City.

VIII. Term. This Agreement shall become effective for the purposes of collection of City taxes by the Trustee on July 1, 2022 (City shall not collect City taxes after June 30, 2022). This Agreement is effective for all other purposes as provided in Section XIII(M). The term of this Agreement is five years (ending on June 30, 2027). Thereafter, unless and until a party gives the other party notice of termination as provided below, this Agreement shall automatically renew for one-year terms ending June 30 of each year.

IX. Termination.

- A. **Breach.** Should any party fail to fulfill in a timely and proper manner a material obligation under this Agreement or if any party should violate a material term of this Agreement, the non-breaching party shall provide the breaching party with notice of the breach. The breaching party will then have 30 calendar days from the receipt of the notice to cure the breach. Upon breach or default of any of the provisions set forth herein, the non-breaching party shall be entitled to any and all damages and other equitable relief permitted under the laws of the State of Tennessee.
- B. **Termination at End of Term.** Either party may unilaterally terminate this Agreement at the end of a term by written notice delivered to the other party at least 120 days prior to the end of the then-current term. Such termination shall not affect in any manner any prior existing obligations between the parties.
- C. **Termination for Convenience.** The parties may terminate this Agreement prior to the end of a term upon written agreement. Termination shall take effect on a date agreed to by the County and City. Such termination shall not affect in any manner any prior existing obligations between the parties.

X. Cost. Unless otherwise provided herein, each party shall be responsible for its own cost for the satisfaction of the obligations set forth herein.

XI. Cooperation. The parties agree to cooperate fully in order to successfully execute the terms and conditions of this Agreement including obtaining all regulatory and governmental approvals required by this Agreement recognizing that the intent of each party to the other is to serve the individual interests of each party while respecting the conditions and obligations of this Agreement.

XII. Limitation on Liability. Each party shall be responsible for its own actions, and the actions of its employees, contractors, subcontractors, and agents, conducted pursuant to this Agreement. Neither party shall be liable for claims against the other party unless liability is imposed under the Tennessee Governmental Tort Liability Act.

XIII. General Terms.

- A. **Choice of Law and Forum.** This Agreement shall be exclusively governed by the laws of the State of Tennessee. In the event that any section and/or term of this Agreement, or any exhibits hereto, becomes subject to litigation, the venue for such action will be exclusively maintained in a court of competent jurisdiction sitting in Henry County, Tennessee.
- B. **Notices.** All notices, demands and requests to be given hereunder by either party shall be in writing and must be sent by certified mail, return receipt requested. Notices sent from the City shall be mailed to the office address of the Henry County Mayor and Henry County Trustee and copied to the office address of the Henry County Attorney and Henry County Delinquent Tax Attorney. Notices sent from the

County shall be mailed to the office address of the City Mayor and (if City has a City Manager) the office address of the City Manager.

- C. **Entire Agreement and Modifications in Writing.** This Agreement and any exhibits included herewith at the time of execution of this Agreement contain the entire agreement between the parties, and no statement, promises, or inducements made by either party or agent of either party that is not contained in this written Agreement shall be valid or binding; and this Agreement may not be enlarged, modified, or altered except in writing and signed by the parties and attached hereto.
- D. **Dispute Resolution.** The parties agree to participate in good faith non-binding mediation in an attempt to resolve any disputes. Notwithstanding the foregoing statement, any claims, disputes or other matters in question between the parties to this Agreement, arising out of or relating to this Agreement or breach thereof, shall be subject to and decided by a court of law.
- E. **Assignment.** The rights and obligations of this Agreement are not assignable.
- F. **Waiver.** No waiver of any provision of this Agreement shall be valid unless in writing and signed by the parties against who charged.
- G. **Headings.** The headings in this Agreement are for convenience and reference and are not intended to define or limit the scope of any provision of this Agreement.
- H. **Employment Practices.** Neither party shall subscribe to any personnel policy which permits or allows for the promotion, demotion, employment, dismissal or laying off of any individual due to race, creed, color, national origin, age, sex or which is in violation of applicable laws concerning the employment of individuals with disabilities. The parties shall not knowingly hire any unauthorized employees or fail to comply with record keeping requirements set forth in the Federal Immigration Reform and Control Act of 1986, Chapter 878 of the 2006 Tennessee Public Acts and all other applicable laws.
- I. **Relationship Between the Parties.** The relationship of the parties shall be that of an independent Contractor. No principal-agent or employer-employee relationship is created by this Agreement. The parties hereto shall not hold itself out in a manner contrary to the terms of this paragraph. No party shall become liable for any representation, act or omission of any other party contrary to the terms of this paragraph.
- J. **Severability.** If any one or more of the covenants, agreements or provisions of this Agreement shall be held contrary to any expressed provisions of law or contrary to any policy of expressed law, although not expressly prohibited, or contrary to any express provision of public policy, or shall for any reason whatsoever be held invalid, then such covenants, agreements or provisions shall be null and void and shall be deemed separate from the remaining covenants, agreements or provisions of this Agreement.
- K. **Specific Performance.** The parties recognize that the rights afforded to each under this Agreement are unique and, accordingly, County and City shall, in addition to such other remedies as may be available to them in equity, have the right to enforce their respective rights hereunder by an action for injunctive relief and/or specific performance to the extent permitted by law.
- L. **Compliance with Laws.** The parties shall comply with all laws of the United States of America, the State of Tennessee, and local laws and shall secure all necessary permits and licenses and keep the same in force during the term of this Agreement.
- M. **Effective Date.** This Agreement shall not be binding upon the parties until it has been properly approved by the legislative bodies of the respective parties, it has then been signed first by the authorized representatives for City and then by the authorized representatives of Henry County and has been filed in the office of the County Mayor. When it has been so signed and filed, this contract shall be effective as of the date written below.

IN WITNESS WHEREOF, the County and City have executed this Agreement effective as of the date and year written below.

COUNTY

By: John Penn Ridge Date: 7-13-22
County Mayor

By: Randi A. French Date: 7-05-2022
County Trustee

CITY

By: [Signature] Date: 7/13/2022
City Mayor

By: Stephanie Wald Date: 7-13-2022
City Manager or Recorder

INTERLOCAL AGREEMENT BETWEEN HENRY COUNTY, TENNESSEE AND THE CITY OF CITY, TENNESSEE FOR THE COLLECTION OF PROPERTY TAXES

THIS INTERLOCAL AGREEMENT, ("Agreement"), is entered into by and between HENRY COUNTY, TENNESSEE, ("County"), a political subdivision of the State of Tennessee, and the CITY OF MCKENZIE, TENNESSEE, ("City"), a municipal government *partially* located within the County.

WHEREAS, County and City are both local governmental entities of the State of Tennessee and, as such, are authorized to enter into an interlocal agreement pursuant to TENN. CODE ANN. § 12-9-104; and

WHEREAS, currently City collects their own municipal property taxes; and

WHEREAS, TENN. CODE ANN. § 67-5-1801, *et seq.* authorizes a County Trustee to collect municipal property taxes on behalf of municipalities within the boundaries of the collecting county; and

WHEREAS, the terms of the interlocal define the obligations concerning collection of municipal property taxes, collection of delinquent municipal taxes, and establishment of a fee for provision of services provided on behalf of City in the amount equal to 1% of the City taxes collected by the County Trustee (calculated and paid on a per-parcel basis, as each parcel is collected); and

WHEREAS, the parties desire to cooperate to transfer the responsibility to collect City's municipal property taxes (*only for those parcels located entirely within the boundary of the County*) as well as a development of a plan to educate the public concerning the change in the process to collect the municipal property taxes:

NOW THEREFORE, in consideration of the mutual promises contained herein, the sufficiency of which is hereby acknowledged, the parties agree as follows:

- I. **Purpose of Agreement.** The purpose of this Interlocal Agreement is to set forth the obligations of City and County for the transfer of the obligation to collect City's municipal property taxes and set the amount of the County Trustee's fee for collecting City taxes. *This Agreement applies only to parcels located entirely within the boundary of County, and each and every provision of this Agreement shall be interpreted in accordance with this limitation. The City shall remain solely responsible for collection of taxes, sending of tax notices, etc. as to parcels which are located (entirely or partially) outside the boundaries of County.*
- II. **Authority.** This Agreement is made and entered into pursuant to the authority granted to the parties under the *Interlocal Cooperation Act*, TENN. CODE ANN. § 12-9-101, *et seq.*, and the parties agree that all approvals and filings required by the terms of the Act shall be achieved as soon as possible from and after the execution of this Agreement. The authority for the County to collect municipal property taxes is found under TENN. CODE ANN. § 67-5-1801, *et seq.*
- III. **City's Responsibilities.**
 - A. City shall individually develop, implement, and fund a plan to advertise and educate its respective property owners concerning the transfer of responsibilities to collect City's municipal property taxes. The plan shall include a detailed explanation of the change in the process to assess and collect municipal property taxes as well as the means of paying the municipal property taxes. City shall provide a copy of the plan to the County Trustee

prior to implementing the plan to provide the Trustee the opportunity to comment on the proposed plan.

- B. If City maintains a website, City shall post on such website links to the County Trustee's website and tennesseetrustee.org.
 - C. City shall continue to receive and respond to inquiries and questions from citizens regarding aspects of the collection of municipal property taxes.
 - D. City shall cooperate and assist County in responding to inquiries and questions concerning the collection of municipal property taxes that the County receives from property owners within City's jurisdictions. Should the County be unable to respond to an inquiry or question received from a property owner within City's jurisdiction, then County shall forward the inquiry or question to City to respond.
 - E. City shall pay the fee set herein to the County for the collection of municipal property taxes.
 - F. City shall, upon request of the County Trustee, cooperate with the County in developing the format and design of property tax statements to be sent by the County to taxpayers.
 - G. City shall establish notification protocols to ensure all parties to a bankruptcy are properly notified, including notification to the County Trustee and—if the bankruptcy debtor is a defendant in a lawsuit seeking to collect delinquent taxes—the County Chancery Court and Henry County Delinquent Tax Attorney.
 - H. City shall cooperate with County concerning all aspects for the transfer of the responsibility of collecting municipal property taxes on the behalf of City.
 - I. City shall comply with County procedures and guidelines created pursuant to this Agreement or related to the services provided by County under this Agreement.
 - J. City shall continue to be solely responsible for the assessment, billing, and collection of fire fees.
 - K. City shall be responsible for the assessment, billing, and collection of any future fees or assessment projects initiated by City.
 - L. City shall implement safeguards against the collection of its municipal property taxes. City shall immediately remit any property taxes received by City to the Trustee's Office.
- IV. County's Responsibilities.**
- A. The County shall be responsible for the provision of personnel, equipment, and other needed resources required for the assessment and collection of municipal property taxes on behalf of City.
 - B. The County shall be responsible for contacting the County software vendor to incorporate City's tax data including, but not limited to, delinquent amounts, rollback amounts, tax relief, and tax rates into the tax program used by the Trustee.
 - C. The County shall obtain such services as may be necessary to assist in the collection of City's municipal property taxes.

V. Trustee's Responsibilities.

A. Assessment of the property tax rates. The Trustee shall receive the tax assessment from the Henry County Assessor concerning those properties lying within City's jurisdiction.

B. Tax Notices. The Trustee shall be responsible for the following:

1. Issue municipal property tax notices starting in October of each tax year;
2. Send delinquent municipal property tax notices to those property owners who have delinquent taxes;
3. Record the assessment and issue municipal property tax notices for both locally assessed properties;
4. Send bills concerning any properly authorized Payment-In-Lieu-of-Taxes programs existing within City's jurisdiction; and
5. Provide bankruptcy postings to the tax records.

It is understood that names and addresses for tax notices are furnished by the taxpayers and, from time to time, may be out of date; these provisions require only the sending of notices to the last known taxpayer name/address according to the records of the County Trustee. These provisions shall not be interpreted to impose on the County Trustee a greater duty to send tax notices than is required of a municipal tax collector under applicable law.

C. Adjustment to Property Tax Rates. The Trustee shall process adjustments received from the Henry County Property Assessor and shall post and process adjustments concerning roll back and tax relief programs.

D. Collection of Taxes. The Trustee shall be responsible for the following:

1. Collect each year's municipal property taxes on behalf of City including collecting partial taxes if authorized;
2. Collect delinquent municipal property taxes in the same manner the Trustee collects delinquent County property taxes;
3. Process municipal property tax overpayments and refunds;
4. Apply the pay procedure that appropriately applies municipal property tax payments when prior year property taxes are due; and
5. Create a process and define safeguards that City shall implement to address property taxes that are paid directly to City. City shall immediately remit the received property taxes to the Trustee's Office.

E. Delinquent Property Taxes. The Trustee shall issue delinquent property tax bills and receive delinquent payments. The Trustee will work with the County Delinquent Tax Attorney to seek payment of delinquent municipal property taxes. The Trustee shall apply the same interest and penalties on behalf of City on a monthly basis for those municipal property taxes that are delinquent as provided in TENN. CODE ANN. § 67-5-2010.

Pursuant to TENN. CODE ANN. § 67-5-2005(a)-(b), responsibility for enforcement and collection of delinquent taxes on parcels subject to this Agreement (i.e., those parcels located wholly within the City and wholly within the County, beginning with Tax Year 2022) will transition to the County Trustee and Henry County Delinquent Tax Attorney (see also procedure for collection of taxes in such circumstances in Title 67, Chapter 5, Parts 24 and 25 of the Tennessee Code). Accordingly, The City and County shall work with the City's attorney (the attorney presently responsible for collecting delinquent taxes for the City pursuant to Title 6, Chapter 55, Part 2 of the Tennessee Code) and the Henry County Delinquent Tax Attorney to transition responsibility for collection of such delinquent taxes to the Henry County Delinquent Tax Attorney. To accomplish this, the parties anticipate entering into a separate interlocal agreement concerning the enforcement and collection of delinquent taxes prior to the filing of the complaint to enforce Tax Year 2022 delinquent taxes.

F. **Tax Relief.** The Trustee shall be responsible for maintaining and administering applicable tax relief programs.

H. **Remittance of Property Taxes to City.** The Trustee shall remit collected property taxes received on behalf of City each month by the 13th day of the next month unless County provides notice to City of an event that will delay payment and the reason for the delay.

VI. Data Management.

A. Joint Obligations.

1. The parties shall cooperate to establish a schedule and plan for the issuance of annual municipal property tax notices.
2. The parties shall cooperate to establish a process for handling and combining data for reporting purposes.
3. If City uses a computer system to maintain tax information, to enable the Trustee to import City property tax information into its computer system: City shall either (i) make its property tax database accessible by the Trustee's computer system or (b) from time to time (at Trustee's request) export and furnish to the Trustee its property tax database in a format that the Trustee's computer system is capable of importing.
4. City shall provide all required data requested from the County.

B. Trustee's Obligations.

1. Obtain and load tax files received from the Henry County Property Assessor.
2. Obtain and load tax history files which, at the discretion of the Trustee, may be a "static" file for prior year paid property taxes.
3. Maintain separate County and City files concerning State Application Credit Vouchers. The parties shall cooperate in maintaining the separate files.
4. Maintain data to provide the ability to distinguish applicable taxing districts including the existence of assessment districts.

VII. Trustee's Fee.

- A. City shall pay the Trustee a fee for services rendered by the County and Trustee under this Agreement in the amount equal to 1% of the City taxes (including any associated interest and penalties) collected by the Trustee. The fee shall be calculated and withdrawn from each payment of City taxes upon collection.
- B. The Parties agree to cooperate in future negotiations should it later be determined that an increase or decrease in the fee is supported by increased or decreased costs of the County collecting municipal property taxes on behalf of City.

VIII. Term. This Agreement shall become effective for the purposes of collection of City taxes by the Trustee on July 1, 2022 (City shall not collect City taxes after June 30, 2022). This Agreement is effective for all other purposes as provided in Section XIII(M). The term of this Agreement is five years (ending on June 30, 2027). Thereafter, unless and until a party gives the other party notice of termination as provided below, this Agreement shall automatically renew for one-year terms ending June 30 of each year.

IX. Termination.

- A. **Breach.** Should any party fail to fulfill in a timely and proper manner a material obligation under this Agreement or if any party should violate a material term of this Agreement, the non-breaching party shall provide the breaching party with notice of the breach. The breaching party will then have 30 calendar days from the receipt of the notice to cure the breach. Upon breach or default of any of the provisions set forth herein, the non-breaching party shall be entitled to any and all damages and other equitable relief permitted under the laws of the State of Tennessee.
- B. **Termination at End of Term.** Either party may unilaterally terminate this Agreement at the end of a term by written notice delivered to the other party at least 120 days prior to the end of the then-current term. Such termination shall not affect in any manner any prior existing obligations between the parties.
- C. **Termination for Convenience.** The parties may terminate this Agreement prior to the end of a term upon written agreement. Termination shall take effect on a date agreed to by the County and City. Such termination shall not affect in any manner any prior existing obligations between the parties.

X. Cost. Unless otherwise provided herein, each party shall be responsible for its own cost for the satisfaction of the obligations set forth herein.

XI. Cooperation. The parties agree to cooperate fully in order to successfully execute the terms and conditions of this Agreement including obtaining all regulatory and governmental approvals required by this Agreement recognizing that the intent of each party to the other is to serve the individual interests of each party while respecting the conditions and obligations of this Agreement.

XII. Limitation on Liability. Each party shall be responsible for its own actions, and the actions of its employees, contractors, subcontractors, and agents, conducted pursuant to this Agreement. Neither party shall be liable for claims against the other party unless liability is imposed under the Tennessee Governmental Tort Liability Act.

XIII. General Terms.

- A. **Choice of Law and Forum.** This Agreement shall be exclusively governed by the laws of the State of Tennessee. In the event that any section and/or term of this Agreement, or any exhibits hereto, becomes subject to litigation, the venue for such action will be exclusively maintained in a court of competent jurisdiction sitting in Henry County, Tennessee.
- B. **Notices.** All notices, demands and requests to be given hereunder by either party shall be in writing and must be sent by certified mail, return receipt requested. Notices sent from the City shall be mailed to the office address of the Henry County Mayor and Henry County Trustee and copied to the office address of the Henry County Attorney and Henry County Delinquent Tax Attorney. Notices sent from the County shall be mailed to the office address of the City Mayor and (if City has a City Manager) the office address of the City Manager.
- C. **Entire Agreement and Modifications in Writing.** This Agreement and any exhibits included herewith at the time of execution of this Agreement contain the entire agreement between the parties, and no statement, promises, or inducements made by either party or agent of either party that is not contained in this written Agreement shall be valid or binding; and this Agreement may not be enlarged, modified, or altered except in writing and signed by the parties and attached hereto.
- D. **Dispute Resolution.** The parties agree to participate in good faith non-binding mediation in an attempt to resolve any disputes. Notwithstanding the foregoing statement, any claims, disputes or other matters in question between the parties to this Agreement, arising out of or relating to this Agreement or breach thereof, shall be subject to and decided by a court of law.
- E. **Assignment.** The rights and obligations of this Agreement are not assignable.
- F. **Waiver.** No waiver of any provision of this Agreement shall be valid unless in writing and signed by the parties against who charged.
- G. **Headings.** The headings in this Agreement are for convenience and reference and are not intended to define or limit the scope of any provision of this Agreement.
- H. **Employment Practices.** Neither party shall subscribe to any personnel policy which permits or allows for the promotion, demotion, employment, dismissal or laying off of any individual due to race, creed, color, national origin, age, sex or which is in violation of applicable laws concerning the employment of individuals with disabilities. The parties shall not knowingly hire any unauthorized employees or fail to comply with record keeping requirements set forth in the Federal Immigration Reform and Control Act of 1986, Chapter 878 of the 2006 Tennessee Public Acts and all other applicable laws.
- I. **Relationship Between the Parties.** The relationship of the parties shall be that of an independent Contractor. No principal-agent or employer-employee relationship is created by this Agreement. The parties hereto shall not hold itself out in a manner contrary to the terms of this paragraph. No party shall become

liable for any representation, act or omission of any other party contrary to the terms of this paragraph.

- J. **Severability.** If any one or more of the covenants, agreements or provisions of this Agreement shall be held contrary to any expressed provisions of law or contrary to any policy of expressed law, although not expressly prohibited, or contrary to any express provision of public policy, or shall for any reason whatsoever be held invalid, then such covenants, agreements or provisions shall be null and void and shall be deemed separate from the remaining covenants, agreements or provisions of this Agreement.
- K. **Specific Performance.** The parties recognize that the rights afforded to each under this Agreement are unique and, accordingly, County and City shall, in addition to such other remedies as may be available to them in equity, have the right to enforce their respective rights hereunder by an action for injunctive relief and/or specific performance to the extent permitted by law.
- L. **Compliance with Laws.** The parties shall comply with all laws of the United States of America, the State of Tennessee, and local laws and shall secure all necessary permits and licenses and keep the same in force during the term of this Agreement.
- M. **Effective Date.** This Agreement shall not be binding upon the parties until it has been properly approved by the legislative bodies of the respective parties, it has then been signed first by the authorized representatives for City and then by the authorized representatives of Henry County and has been filed in the office of the County Mayor. When it has been so signed and filed, this contract shall be effective as of the date written below.

IN WITNESS WHEREOF, the County and City have executed this Agreement effective as of the date and year written below.

COUNTY

By: _____ Date: _____
County Mayor
By: Randi A. Truch Date: 07-01-2022
County Trustee

CITY

By: [Signature] Date: July 1, 2022
City Mayor
By: Janifer Waldrup Date: July 1, 2022
City Manager or Recorder

**INTERLOCAL AGREEMENT BETWEEN HENRY COUNTY, TENNESSEE AND THE
CITY OF CITY, TENNESSEE FOR THE COLLECTION OF PROPERTY TAXES**

THIS INTERLOCAL AGREEMENT, ("Agreement"), is entered into by and between HENRY COUNTY, TENNESSEE, ("County"), a political subdivision of the State of Tennessee, and the CITY OF COTTAGE GROVE, TENNESSEE, ("City"), a municipal government located within the County.

WHEREAS, County and City are both local governmental entities of the State of Tennessee and, as such, are authorized to enter into an interlocal agreement pursuant to TENN. CODE ANN. § 12-9-104; and

WHEREAS, currently City collects their own municipal property taxes; and

WHEREAS, TENN. CODE ANN. § 67-5-1801, *et seq.* authorizes a County Trustee to collect municipal property taxes on behalf of municipalities within the boundaries of the collecting county; and

WHEREAS, the terms of the interlocal define the obligations concerning collection of municipal property taxes, collection of delinquent municipal taxes, and establishment of a fee for provision of services provided on behalf of City in the amount equal to 1% of the City taxes collected by the County Trustee (calculated and paid on a per-parcel basis, as each parcel is collected); and

WHEREAS, the parties desire to cooperate to transfer the responsibility to collect City's municipal property taxes as well as a development of a plan to educate the public concerning the change in the process to collect the municipal property taxes:

NOW THEREFORE, in consideration of the mutual promises contained herein, the sufficiency of which is hereby acknowledged, the parties agree as follows:

- I. **Purpose of Agreement.** The purpose of this Interlocal Agreement is to set forth the obligations of City and County for the transfer of the obligation to collect City's municipal property taxes and set the amount of the County Trustee's fee for collecting City taxes.
- II. **Authority.** This Agreement is made and entered into pursuant to the authority granted to the parties under the *Interlocal Cooperation Act*, TENN. CODE ANN. § 12-9-101, *et seq.*, and the parties agree that all approvals and filings required by the terms of the Act shall be achieved as soon as possible from and after the execution of this Agreement. The authority for the County to collect municipal property taxes is found under TENN. CODE ANN. § 67-5-1801, *et seq.*
- III. **City's Responsibilities.**
 - A. City shall individually develop, implement, and fund a plan to advertise and educate its respective property owners concerning the transfer of responsibilities to collect City's municipal property taxes. The plan shall include a detailed explanation of the change in the process to assess and collect municipal property taxes as well as the means of paying the municipal property taxes. City shall provide a copy of the plan to the County Trustee prior to implementing the plan to provide the Trustee the opportunity to comment on the proposed plan.
 - B. If City maintains a website, City shall post on such website links to the County Trustee's website and tennesseetrustee.org.

- C. City shall continue to receive and respond to inquiries and questions from citizens regarding aspects of the collection of municipal property taxes.
- D. City shall cooperate and assist County in responding to inquiries and questions concerning the collection of municipal property taxes that the County receives from property owners within City's jurisdictions. Should the County be unable to respond to an inquiry or question received from a property owner within City's jurisdiction, then County shall forward the inquiry or question to City to respond.
- E. City shall pay the fee set herein to the County for the collection of municipal property taxes.
- F. City shall, upon request of the County Trustee, cooperate with the County in developing the format and design of property tax statements to be sent by the County to taxpayers.
- G. City shall establish notification protocols to ensure all parties to a bankruptcy are properly notified, including notification to the County Trustee and—if the bankruptcy debtor is a defendant in a lawsuit seeking to collect delinquent taxes—the County Chancery Court and County Delinquent Tax Attorney.
- H. City shall cooperate with County concerning all aspects for the transfer of the responsibility of collecting municipal property taxes on the behalf of City.
- I. City shall comply with County procedures and guidelines created pursuant to this Agreement or related to the services provided by County under this Agreement.
- J. City shall continue to be solely responsible for the assessment, billing, and collection of fire fees.
- K. City shall be responsible for the assessment, billing, and collection of any future fees or assessment projects initiated by City.
- L. City shall implement safeguards against the collection of its municipal property taxes. City shall immediately remit any property taxes received by City to the Trustee's Office.

IV. County's Responsibilities.

- A. The County shall be responsible for the provision of personnel, equipment, and other needed resources required for the assessment and collection of municipal property taxes on behalf of City.
- B. The County shall be responsible for contacting the County software vendor to incorporate City's tax data including, but not limited to, delinquent amounts, rollback amounts, tax relief, and tax rates into the tax program used by the Trustee.
- C. The County shall obtain such services as may be necessary to assist in the collection of City's municipal property taxes.

V. Trustee's Responsibilities.

- A. **Assessment of the property tax rates.** The Trustee shall receive the tax assessment from the Henry County Assessor concerning those properties lying within City's jurisdiction.
- B. **Tax Notices.** The Trustee shall be responsible for the following:

1. Issue municipal property tax notices starting in October of each tax year;
2. Send delinquent municipal property tax notices to those property owners who have delinquent taxes;
3. Record the assessment and issue municipal property tax notices for both locally assessed properties;
4. Send bills concerning any properly authorized Payment-In-Lieu-of-Taxes programs existing within City's jurisdiction; and
5. Provide bankruptcy postings to the tax records.

It is understood that names and addresses for tax notices are furnished by the taxpayers and, from time to time, may be out of date; these provisions require only the sending of notices to the last known taxpayer name/address according to the records of the County Trustee. These provisions shall not be interpreted to impose on the County Trustee a greater duty to send tax notices than is required of a municipal tax collector under applicable law.

- C. **Adjustment to Property Tax Rates.** The Trustee shall process adjustments received from the Henry County Property Assessor and shall post and process adjustments concerning roll back and tax relief programs.
- D. **Collection of Taxes.** The Trustee shall be responsible for the following:
1. Collect each year's municipal property taxes on behalf of City including collecting partial taxes if authorized;
 2. Collect delinquent municipal property taxes in the same manner the Trustee collects delinquent County property taxes;
 3. Process municipal property tax overpayments and refunds;
 4. Apply the pay procedure that appropriately applies municipal property tax payments when prior year property taxes are due; and
 5. Create a process and define safeguards that City shall implement to address property taxes that are paid directly to City. City shall immediately remit the received property taxes to the Trustee's Office.
- E. **Delinquent Property Taxes.** The Trustee shall issue delinquent property tax bills and receive delinquent payments. The Trustee will work with the County Delinquent Tax Attorney to seek payment of delinquent municipal property taxes. The Trustee shall apply the same interest and penalties on behalf of City on a monthly basis for those municipal property taxes that are delinquent as provided in TENN. CODE ANN. § 67-5-2010. The existing interlocal agreement between the County and City concerning the enforcement of delinquent taxes through the filing of a delinquent tax collection lawsuit by the County Delinquent Tax shall remain in full force and effect.
- F. **Tax Relief.** The Trustee shall be responsible for maintaining and administering applicable tax relief programs.

H. Remittance of Property Taxes to City. The Trustee shall remit collected property taxes received on behalf of City each month by the 13th day of the next month unless County provides notice to City of an event that will delay payment and the reason for the delay.

VI. Data Management.

A. Joint Obligations.

1. The parties shall cooperate to establish a schedule and plan for the issuance of annual municipal property tax notices.
2. The parties shall cooperate to establish a process for handling and combining data for reporting purposes.
3. If City uses a computer system to maintain tax information, to enable the Trustee to import City property tax information into its computer system: City shall either (i) make its property tax database accessible by the Trustee's computer system or (b) from time to time (at Trustee's request) export and furnish to the Trustee its property tax database in a format that the Trustee's computer system is capable of importing.
4. City shall provide all required data requested from the County.

B. Trustee's Obligations.

1. Obtain and load tax files received from the Henry County Property Assessor.
2. Obtain and load tax history files which, at the discretion of the Trustee, may be a "static" file for prior year paid property taxes.
3. Maintain separate County and City files concerning State Application Credit Vouchers. The parties shall cooperate in maintaining the separate files.
4. Maintain data to provide the ability to distinguish applicable taxing districts including the existence of assessment districts.

VII. Trustee's Fee.

- A. City shall pay the Trustee a fee for services rendered by the County and Trustee under this Agreement in the amount equal to 1% of the City taxes (including any associated interest and penalties) collected by the Trustee. The fee shall be calculated and withdrawn from each payment of City taxes upon collection.
- B. The Parties agree to cooperate in future negotiations should it later be determined that an increase or decrease in the fee is supported by increased or decreased costs of the County collecting municipal property taxes on behalf of City.

VIII. Term. This Agreement shall become effective for the purposes of collection of City taxes by the Trustee on July 1, 2022 (City shall not collect City taxes after June 30, 2022). This Agreement is effective for all other purposes as provided in Section XIII(M). The term of this Agreement is five years (ending on June 30, 2027). Thereafter, unless and until a party gives the other party notice of termination as provided below, this Agreement shall automatically renew for one-year terms ending June 30 of each year.

IX. Termination.

- A. **Breach.** Should any party fail to fulfill in a timely and proper manner a material obligation under this Agreement or if any party should violate a material term of this Agreement, the non-breaching party shall provide the breaching party with notice of the breach. The breaching party will then have 30 calendar days from the receipt of the notice to cure the breach. Upon breach or default of any of the provisions set forth herein, the non-breaching party shall be entitled to any and all damages and other equitable relief permitted under the laws of the State of Tennessee.
- B. **Termination at End of Term.** Either party may unilaterally terminate this Agreement at the end of a term by written notice delivered to the other party at least 120 days prior to the end of the then-current term. Such termination shall not affect in any manner any prior existing obligations between the parties.
- C. **Termination for Convenience.** The parties may terminate this Agreement prior to the end of a term upon written agreement. Termination shall take effect on a date agreed to by the County and City. Such termination shall not affect in any manner any prior existing obligations between the parties.

X. Cost. Unless otherwise provided herein, each party shall be responsible for its own cost for the satisfaction of the obligations set forth herein.

XI. Cooperation. The parties agree to cooperate fully in order to successfully execute the terms and conditions of this Agreement including obtaining all regulatory and governmental approvals required by this Agreement recognizing that the intent of each party to the other is to serve the individual interests of each party while respecting the conditions and obligations of this Agreement.

XII. Limitation on Liability. Each party shall be responsible for its own actions, and the actions of its employees, contractors, subcontractors, and agents, conducted pursuant to this Agreement. Neither party shall be liable for claims against the other party unless liability is imposed under the Tennessee Governmental Tort Liability Act.

XIII. General Terms.

- A. **Choice of Law and Forum.** This Agreement shall be exclusively governed by the laws of the State of Tennessee. In the event that any section and/or term of this Agreement, or any exhibits hereto, becomes subject to litigation, the venue for such action will be exclusively maintained in a court of competent jurisdiction sitting in Henry County, Tennessee.
- B. **Notices.** All notices, demands and requests to be given hereunder by either party shall be in writing and must be sent by certified mail, return receipt requested. Notices sent from the City shall be mailed to the office address of the Henry County Mayor and Henry County Trustee and copied to the office address of the Henry County Attorney and Henry County Delinquent Tax Attorney. Notices sent from the County shall be mailed to the office address of the City Mayor and (if City has a City Manager) the office address of the City Manager.

- C. **Entire Agreement and Modifications in Writing.** This Agreement and any exhibits included herewith at the time of execution of this Agreement contain the entire agreement between the parties, and no statement, promises, or inducements made by either party or agent of either party that is not contained in this written Agreement shall be valid or binding; and this Agreement may not be enlarged, modified, or altered except in writing and signed by the parties and attached hereto.
- D. **Dispute Resolution.** The parties agree to participate in good faith non-binding mediation in an attempt to resolve any disputes. Notwithstanding the foregoing statement, any claims, disputes or other matters in question between the parties to this Agreement, arising out of or relating to this Agreement or breach thereof, shall be subject to and decided by a court of law.
- E. **Assignment.** The rights and obligations of this Agreement are not assignable.
- F. **Waiver.** No waiver of any provision of this Agreement shall be valid unless in writing and signed by the parties against who charged.
- G. **Headings.** The headings in this Agreement are for convenience and reference and are not intended to define or limit the scope of any provision of this Agreement.
- H. **Employment Practices.** Neither party shall subscribe to any personnel policy which permits or allows for the promotion, demotion, employment, dismissal or laying off of any individual due to race, creed, color, national origin, age, sex or which is in violation of applicable laws concerning the employment of individuals with disabilities. The parties shall not knowingly hire any unauthorized employees or fail to comply with record keeping requirements set forth in the Federal Immigration Reform and Control Act of 1986, Chapter 878 of the 2006 Tennessee Public Acts and all other applicable laws.
- I. **Relationship Between the Parties.** The relationship of the parties shall be that of an independent Contractor. No principal-agent or employer-employee relationship is created by this Agreement. The parties hereto shall not hold itself out in a manner contrary to the terms of this paragraph. No party shall become liable for any representation, act or omission of any other party contrary to the terms of this paragraph.
- J. **Severability.** If any one or more of the covenants, agreements or provisions of this Agreement shall be held contrary to any expressed provisions of law or contrary to any policy of expressed law, although not expressly prohibited, or contrary to any express provision of public policy, or shall for any reason whatsoever be held invalid, then such covenants, agreements or provisions shall be null and void and shall be deemed separate from the remaining covenants, agreements or provisions of this Agreement.
- K. **Specific Performance.** The parties recognize that the rights afforded to each under this Agreement are unique and, accordingly, County and City shall, in addition to such other remedies as may be available to them in equity, have the

right to enforce their respective rights hereunder by an action for injunctive relief and/or specific performance to the extent permitted by law.

- L. **Compliance with Laws.** The parties shall comply with all laws of the United States of America, the State of Tennessee, and local laws and shall secure all necessary permits and licenses and keep the same in force during the term of this Agreement.
- M. **Effective Date.** This Agreement shall not be binding upon the parties until it has been properly approved by the legislative bodies of the respective parties, it has then been signed first by the authorized representatives for City and then by the authorized representatives of Henry County and has been filed in the office of the County Mayor. When it has been so signed and filed, this contract shall be effective as of the date written below.

IN WITNESS WHEREOF, the County and City have executed this Agreement effective as of the date and year written below.

COUNTY

By: John Penn Ridgway Date: 6-8-22
County Mayor

By: Randi A. Frunch Date: 06-08-2022
County Trustee

CITY

By: [Signature] Date: 6-7-22
City Mayor

By: Carolyn Kaminski Date: 6-7-22
City Manager or Recorder

INTERLOCAL AGREEMENT BETWEEN HENRY COUNTY, TENNESSEE AND THE CITY OF CITY, TENNESSEE FOR THE COLLECTION OF PROPERTY TAXES

THIS INTERLOCAL AGREEMENT, ("Agreement"), is entered into by and between HENRY COUNTY, TENNESSEE, ("County"), a political subdivision of the State of Tennessee, and the CITY OF PARIS, TENNESSEE, ("City"), a municipal government located within the County.

WHEREAS, County and City are both local governmental entities of the State of Tennessee and, as such, are authorized to enter into an interlocal agreement pursuant to TENN. CODE ANN. § 12-9-104; and

WHEREAS, currently City collects their own municipal property taxes; and

WHEREAS, TENN. CODE ANN. § 67-5-1801, *et seq.* authorizes a County Trustee to collect municipal property taxes on behalf of municipalities within the boundaries of the collecting county; and

WHEREAS, the terms of the interlocal define the obligations concerning collection of municipal property taxes, collection of delinquent municipal taxes, and establishment of a fee for provision of services provided on behalf of City in the amount equal to 1% of the City taxes collected by the County Trustee (calculated and paid on a per-parcel basis, as each parcel is collected); and

WHEREAS, the parties desire to cooperate to transfer the responsibility to collect City's municipal property taxes as well as a development of a plan to educate the public concerning the change in the process to collect the municipal property taxes:

NOW THEREFORE, in consideration of the mutual promises contained herein, the sufficiency of which is hereby acknowledged, the parties agree as follows:

- I. Purpose of Agreement.** The purpose of this Interlocal Agreement is to set forth the obligations of City and County for the transfer of the obligation to collect City's municipal property taxes and set the amount of the County Trustee's fee for collecting City taxes.
- II. Authority.** This Agreement is made and entered into pursuant to the authority granted to the parties under the *Interlocal Cooperation Act*, TENN. CODE ANN. § 12-9-101, *et seq.*, and the parties agree that all approvals and filings required by the terms of the Act shall be achieved as soon as possible from and after the execution of this Agreement. The authority for the County to collect municipal property taxes is found under TENN. CODE ANN. § 67-5-1801, *et seq.*
- III. City's Responsibilities.**
 - A. City shall individually develop, implement, and fund a plan to advertise and educate its respective property owners concerning the transfer of responsibilities to collect City's municipal property taxes. The plan shall include a detailed explanation of the change in the process to assess and collect municipal property taxes as well as the means of paying the municipal property taxes. City shall provide a copy of the plan to the County Trustee prior to implementing the plan to provide the Trustee the opportunity to comment on the proposed plan.
 - B. If City maintains a website, City shall post on such website links to the County Trustee's website and tennesseetrustee.org.

- C. City shall continue to receive and respond to inquiries and questions from citizens regarding aspects of the collection of municipal property taxes.
- D. City shall cooperate and assist County in responding to inquiries and questions concerning the collection of municipal property taxes that the County receives from property owners within City's jurisdictions. Should the County be unable to respond to an inquiry or question received from a property owner within City's jurisdiction, then County shall forward the inquiry or question to City to respond.
- E. City shall pay the fee set herein to the County for the collection of municipal property taxes.
- F. City shall, upon request of the County Trustee, cooperate with the County in developing the format and design of property tax statements to be sent by the County to taxpayers.
- G. City shall establish notification protocols to ensure all parties to a bankruptcy are properly notified, including notification to the County Trustee and—if the bankruptcy debtor is a defendant in a lawsuit seeking to collect delinquent taxes—the County Chancery Court and County Delinquent Tax Attorney.
- H. City shall cooperate with County concerning all aspects for the transfer of the responsibility of collecting municipal property taxes on the behalf of City.
- I. City shall comply with County procedures and guidelines created pursuant to this Agreement or related to the services provided by County under this Agreement.
- J. City shall continue to be solely responsible for the assessment, billing, and collection of fire fees.
- K. City shall be responsible for the assessment, billing, and collection of any future fees or assessment projects initiated by City.
- L. City shall implement safeguards against the collection of its municipal property taxes. City shall immediately remit any property taxes received by City to the Trustee's Office.

IV. County's Responsibilities.

- A. The County shall be responsible for the provision of personnel, equipment, and other needed resources required for the assessment and collection of municipal property taxes on behalf of City.
- B. The County shall be responsible for contacting the County software vendor to incorporate City's tax data including, but not limited to, delinquent amounts, rollback amounts, tax relief, and tax rates into the tax program used by the Trustee.
- C. The County shall obtain such services as may be necessary to assist in the collection of City's municipal property taxes.

V. Trustee's Responsibilities.

- A. **Assessment of the property tax rates.** The Trustee shall receive the tax assessment from the Henry County Assessor concerning those properties lying within City's jurisdiction.
- B. **Tax Notices.** The Trustee shall be responsible for the following:

1. Issue municipal property tax notices starting in October of each tax year;
2. Send delinquent municipal property tax notices to those property owners who have delinquent taxes;
3. Record the assessment and issue municipal property tax notices for both locally assessed properties;
4. Send bills concerning any properly authorized Payment-In-Lieu-of-Taxes programs existing within City's jurisdiction; and
5. Provide bankruptcy postings to the tax records.

It is understood that names and addresses for tax notices are furnished by the taxpayers and, from time to time, may be out of date; these provisions require only the sending of notices to the last known taxpayer name/address according to the records of the County Trustee. These provisions shall not be interpreted to impose on the County Trustee a greater duty to send tax notices than is required of a municipal tax collector under applicable law.

C. **Adjustment to Property Tax Rates.** The Trustee shall process adjustments received from the Henry County Property Assessor and shall post and process adjustments concerning roll back and tax relief programs.

D. **Collection of Taxes.** The Trustee shall be responsible for the following:

1. Collect each year's municipal property taxes on behalf of City including collecting partial taxes if authorized;
2. Collect delinquent municipal property taxes in the same manner the Trustee collects delinquent County property taxes;
3. Process municipal property tax overpayments and refunds;
4. Apply the pay procedure that appropriately applies municipal property tax payments when prior year property taxes are due; and
5. Create a process and define safeguards that City shall implement to address property taxes that are paid directly to City. City shall immediately remit the received property taxes to the Trustee's Office.

E. **Delinquent Property Taxes.** The Trustee shall issue delinquent property tax bills and receive delinquent payments. The Trustee will work with the County Delinquent Tax Attorney to seek payment of delinquent municipal property taxes. The Trustee shall apply the same interest and penalties on behalf of City on a monthly basis for those municipal property taxes that are delinquent as provided in TENN. CODE ANN. § 67-5-2010. The existing interlocal agreement between the County and City concerning the enforcement of delinquent taxes through the filing of a delinquent tax collection lawsuit by the County Delinquent Tax shall remain in full force and effect.

F. **Tax Relief.** The Trustee shall be responsible for maintaining and administering applicable tax relief programs.

H. **Remittance of Property Taxes to City.** The Trustee shall remit collected property taxes received on behalf of City each month by the 13th day of the next month unless County provides notice to City of an event that will delay payment and the reason for the delay.

VI. Data Management.

A. Joint Obligations.

1. The parties shall cooperate to establish a schedule and plan for the issuance of annual municipal property tax notices.
2. The parties shall cooperate to establish a process for handling and combining data for reporting purposes.
3. If City uses a computer system to maintain tax information, to enable the Trustee to import City property tax information into its computer system: City shall either (i) make its property tax database accessible by the Trustee's computer system or (b) from time to time (at Trustee's request) export and furnish to the Trustee its property tax database in a format that the Trustee's computer system is capable of importing.
4. City shall provide all required data requested from the County.

B. Trustee's Obligations.

1. Obtain and load tax files received from the Henry County Property Assessor.
2. Obtain and load tax history files which, at the discretion of the Trustee, may be a "static" file for prior year paid property taxes.
3. Maintain separate County and City files concerning State Application Credit Vouchers. The parties shall cooperate in maintaining the separate files.
4. Maintain data to provide the ability to distinguish applicable taxing districts including the existence of assessment districts.

VII. Trustee's Fee.

- A. City shall pay the Trustee a fee for services rendered by the County and Trustee under this Agreement in the amount equal to 1% of the City taxes (including any associated interest and penalties) collected by the Trustee. The fee shall be calculated and withdrawn from each payment of City taxes upon collection.
- B. The Parties agree to cooperate in future negotiations should it later be determined that an increase or decrease in the fee is supported by increased or decreased costs of the County collecting municipal property taxes on behalf of City.

VIII. Term. This Agreement shall become effective for the purposes of collection of City taxes by the Trustee on July 1, 2022 (City shall not collect City taxes after June 30, 2022). This Agreement is effective for all other purposes as provided in Section XIII(M). The term of this Agreement is five years (ending on June 30, 2027). Thereafter, unless and until a party gives the other party notice of termination as provided below, this Agreement shall automatically renew for one-year terms ending June 30 of each year.

IX. Termination.

- A. **Breach.** Should any party fail to fulfill in a timely and proper manner a material obligation under this Agreement or if any party should violate a material term of this Agreement, the non-breaching party shall provide the breaching party with notice of the breach. The breaching party will then have 30 calendar days from the receipt of the notice to cure the breach. Upon breach or default of any of the provisions set forth herein, the non-breaching party shall be entitled to any and all damages and other equitable relief permitted under the laws of the State of Tennessee.
- B. **Termination at End of Term.** Either party may unilaterally terminate this Agreement at the end of a term by written notice delivered to the other party at least 120 days prior to the end of the then-current term. Such termination shall not affect in any manner any prior existing obligations between the parties.
- C. **Termination for Convenience.** The parties may terminate this Agreement prior to the end of a term upon written agreement. Termination shall take effect on a date agreed to by the County and City. Such termination shall not affect in any manner any prior existing obligations between the parties.

X. **Cost.** Unless otherwise provided herein, each party shall be responsible for its own cost for the satisfaction of the obligations set forth herein.

XI. **Cooperation.** The parties agree to cooperate fully in order to successfully execute the terms and conditions of this Agreement including obtaining all regulatory and governmental approvals required by this Agreement recognizing that the intent of each party to the other is to serve the individual interests of each party while respecting the conditions and obligations of this Agreement.

XII. **Limitation on Liability.** Each party shall be responsible for its own actions, and the actions of its employees, contractors, subcontractors, and agents, conducted pursuant to this Agreement. Neither party shall be liable for claims against the other party unless liability is imposed under the Tennessee Governmental Tort Liability Act.

XIII. General Terms.

- A. **Choice of Law and Forum.** This Agreement shall be exclusively governed by the laws of the State of Tennessee. In the event that any section and/or term of this Agreement, or any exhibits hereto, becomes subject to litigation, the venue for such action will be exclusively maintained in a court of competent jurisdiction sitting in Henry County, Tennessee.
- B. **Notices.** All notices, demands and requests to be given hereunder by either party shall be in writing and must be sent by certified mail, return receipt requested. Notices sent from the City shall be mailed to the office address of the Henry County Mayor and Henry County Trustee and copied to the office address of the Henry County Attorney and Henry County Delinquent Tax Attorney. Notices sent from the County shall be mailed to the office address of the City Mayor and (if City has a City Manager) the office address of the City Manager.

- C. **Entire Agreement and Modifications in Writing.** This Agreement and any exhibits included herewith at the time of execution of this Agreement contain the entire agreement between the parties, and no statement, promises, or inducements made by either party or agent of either party that is not contained in this written Agreement shall be valid or binding; and this Agreement may not be enlarged, modified, or altered except in writing and signed by the parties and attached hereto.
- D. **Dispute Resolution.** The parties agree to participate in good faith non-binding mediation in an attempt to resolve any disputes. Notwithstanding the foregoing statement, any claims, disputes or other matters in question between the parties to this Agreement, arising out of or relating to this Agreement or breach thereof, shall be subject to and decided by a court of law.
- E. **Assignment.** The rights and obligations of this Agreement are not assignable.
- F. **Waiver.** No waiver of any provision of this Agreement shall be valid unless in writing and signed by the parties against who charged.
- G. **Headings.** The headings in this Agreement are for convenience and reference and are not intended to define or limit the scope of any provision of this Agreement.
- H. **Employment Practices.** Neither party shall subscribe to any personnel policy which permits or allows for the promotion, demotion, employment, dismissal or laying off of any individual due to race, creed, color, national origin, age, sex or which is in violation of applicable laws concerning the employment of individuals with disabilities. The parties shall not knowingly hire any unauthorized employees or fail to comply with record keeping requirements set forth in the Federal Immigration Reform and Control Act of 1986, Chapter 878 of the 2006 Tennessee Public Acts and all other applicable laws.
- I. **Relationship Between the Parties.** The relationship of the parties shall be that of an independent Contractor. No principal-agent or employer-employee relationship is created by this Agreement. The parties hereto shall not hold itself out in a manner contrary to the terms of this paragraph. No party shall become liable for any representation, act or omission of any other party contrary to the terms of this paragraph.
- J. **Severability.** If any one or more of the covenants, agreements or provisions of this Agreement shall be held contrary to any expressed provisions of law or contrary to any policy of expressed law, although not expressly prohibited, or contrary to any express provision of public policy, or shall for any reason whatsoever be held invalid, then such covenants, agreements or provisions shall be null and void and shall be deemed separate from the remaining covenants, agreements or provisions of this Agreement.
- K. **Specific Performance.** The parties recognize that the rights afforded to each under this Agreement are unique and, accordingly, County and City shall, in addition to such other remedies as may be available to them in equity, have the

right to enforce their respective rights hereunder by an action for injunctive relief and/or specific performance to the extent permitted by law.

- L. **Compliance with Laws.** The parties shall comply with all laws of the United States of America, the State of Tennessee, and local laws and shall secure all necessary permits and licenses and keep the same in force during the term of this Agreement.
- M. **Effective Date.** This Agreement shall not be binding upon the parties until it has been properly approved by the legislative bodies of the respective parties, it has then been signed first by the authorized representatives for City and then by the authorized representatives of Henry County and has been filed in the office of the County Mayor. When it has been so signed and filed, this contract shall be effective as of the date written below.

IN WITNESS WHEREOF, the County and City have executed this Agreement effective as of the date and year written below.

COUNTY

By: John Penn Ridgway Date: 6-8-22
County Mayor

By: Randi A. French Date: 6-08-2022
County Trustee

CITY

By: Chris Kell Date: 6-2-22
City Mayor

By: Shaci Shannon Date: 6-2-2022
City Manager or Recorder

**INTERLOCAL AGREEMENT BETWEEN HENRY COUNTY, TENNESSEE AND THE
CITY OF CITY, TENNESSEE FOR THE COLLECTION OF PROPERTY TAXES**

THIS INTERLOCAL AGREEMENT, ("Agreement"), is entered into by and between HENRY COUNTY, TENNESSEE, ("County"), a political subdivision of the State of Tennessee, and the CITY OF PURYEAR, TENNESSEE, ("City"), a municipal government located within the County.

WHEREAS, County and City are both local governmental entities of the State of Tennessee and, as such, are authorized to enter into an interlocal agreement pursuant to TENN. CODE ANN. § 12-9-104; and

WHEREAS, currently City collects their own municipal property taxes; and

WHEREAS, TENN. CODE ANN. § 67-5-1801, *et seq.* authorizes a County Trustee to collect municipal property taxes on behalf of municipalities within the boundaries of the collecting county; and

WHEREAS, the terms of the interlocal define the obligations concerning collection of municipal property taxes, collection of delinquent municipal taxes, and establishment of a fee for provision of services provided on behalf of City in the amount equal to 1% of the City taxes collected by the County Trustee (calculated and paid on a per-parcel basis, as each parcel is collected); and

WHEREAS, the parties desire to cooperate to transfer the responsibility to collect City's municipal property taxes as well as a development of a plan to educate the public concerning the change in the process to collect the municipal property taxes:

NOW THEREFORE, in consideration of the mutual promises contained herein, the sufficiency of which is hereby acknowledged, the parties agree as follows:

- I. **Purpose of Agreement.** The purpose of this Interlocal Agreement is to set forth the obligations of City and County for the transfer of the obligation to collect City's municipal property taxes and set the amount of the County Trustee's fee for collecting City taxes.
- II. **Authority.** This Agreement is made and entered into pursuant to the authority granted to the parties under the *Interlocal Cooperation Act*, TENN. CODE ANN. § 12-9-101, *et seq.*, and the parties agree that all approvals and filings required by the terms of the Act shall be achieved as soon as possible from and after the execution of this Agreement. The authority for the County to collect municipal property taxes is found under TENN. CODE ANN. § 67-5-1801, *et seq.*
- III. **City's Responsibilities.**
 - A. City shall individually develop, implement, and fund a plan to advertise and educate its respective property owners concerning the transfer of responsibilities to collect City's municipal property taxes. The plan shall include a detailed explanation of the change in the process to assess and collect municipal property taxes as well as the means of paying the municipal property taxes. City shall provide a copy of the plan to the County Trustee prior to implementing the plan to provide the Trustee the opportunity to comment on the proposed plan.
 - B. If City maintains a website, City shall post on such website links to the County Trustee's website and tennesseetrustee.org.

- C. City shall continue to receive and respond to inquiries and questions from citizens regarding aspects of the collection of municipal property taxes.
- D. City shall cooperate and assist County in responding to inquiries and questions concerning the collection of municipal property taxes that the County receives from property owners within City's jurisdictions. Should the County be unable to respond to an inquiry or question received from a property owner within City's jurisdiction, then County shall forward the inquiry or question to City to respond.
- E. City shall pay the fee set herein to the County for the collection of municipal property taxes.
- F. City shall, upon request of the County Trustee, cooperate with the County in developing the format and design of property tax statements to be sent by the County to taxpayers.
- G. City shall establish notification protocols to ensure all parties to a bankruptcy are properly notified, including notification to the County Trustee and—if the bankruptcy debtor is a defendant in a lawsuit seeking to collect delinquent taxes—the County Chancery Court and County Delinquent Tax Attorney.
- H. City shall cooperate with County concerning all aspects for the transfer of the responsibility of collecting municipal property taxes on the behalf of City.
- I. City shall comply with County procedures and guidelines created pursuant to this Agreement or related to the services provided by County under this Agreement.
- J. City shall continue to be solely responsible for the assessment, billing, and collection of fire fees.
- K. City shall be responsible for the assessment, billing, and collection of any future fees or assessment projects initiated by City.
- L. City shall implement safeguards against the collection of its municipal property taxes. City shall immediately remit any property taxes received by City to the Trustee's Office.

IV. County's Responsibilities.

- A. The County shall be responsible for the provision of personnel, equipment, and other needed resources required for the assessment and collection of municipal property taxes on behalf of City.
- B. The County shall be responsible for contacting the County software vendor to incorporate City's tax data including, but not limited to, delinquent amounts, rollback amounts, tax relief, and tax rates into the tax program used by the Trustee.
- C. The County shall obtain such services as may be necessary to assist in the collection of City's municipal property taxes.

V. Trustee's Responsibilities.

- A. **Assessment of the property tax rates.** The Trustee shall receive the tax assessment from the Henry County Assessor concerning those properties lying within City's jurisdiction.
- B. **Tax Notices.** The Trustee shall be responsible for the following:

1. Issue municipal property tax notices starting in October of each tax year;
2. Send delinquent municipal property tax notices to those property owners who have delinquent taxes;
3. Record the assessment and issue municipal property tax notices for both locally assessed properties;
4. Send bills concerning any properly authorized Payment-In-Lieu-of-Taxes programs existing within City's jurisdiction; and
5. Provide bankruptcy postings to the tax records.

It is understood that names and addresses for tax notices are furnished by the taxpayers and, from time to time, may be out of date; these provisions require only the sending of notices to the last known taxpayer name/address according to the records of the County Trustee. These provisions shall not be interpreted to impose on the County Trustee a greater duty to send tax notices than is required of a municipal tax collector under applicable law.

C. **Adjustment to Property Tax Rates.** The Trustee shall process adjustments received from the Henry County Property Assessor and shall post and process adjustments concerning roll back and tax relief programs.

D. **Collection of Taxes.** The Trustee shall be responsible for the following:

1. Collect each year's municipal property taxes on behalf of City including collecting partial taxes if authorized;
2. Collect delinquent municipal property taxes in the same manner the Trustee collects delinquent County property taxes;
3. Process municipal property tax overpayments and refunds;
4. Apply the pay procedure that appropriately applies municipal property tax payments when prior year property taxes are due; and
5. Create a process and define safeguards that City shall implement to address property taxes that are paid directly to City. City shall immediately remit the received property taxes to the Trustee's Office.

E. **Delinquent Property Taxes.** The Trustee shall issue delinquent property tax bills and receive delinquent payments. The Trustee will work with the County Delinquent Tax Attorney to seek payment of delinquent municipal property taxes. The Trustee shall apply the same interest and penalties on behalf of City on a monthly basis for those municipal property taxes that are delinquent as provided in TENN. CODE ANN. § 67-5-2010. The existing interlocal agreement between the County and City concerning the enforcement of delinquent taxes through the filing of a delinquent tax collection lawsuit by the County Delinquent Tax shall remain in full force and effect.

F. **Tax Relief.** The Trustee shall be responsible for maintaining and administering applicable tax relief programs.

H. Remittance of Property Taxes to City. The Trustee shall remit collected property taxes received on behalf of City each month by the 13th day of the next month unless County provides notice to City of an event that will delay payment and the reason for the delay.

VI. Data Management.

A. Joint Obligations.

1. The parties shall cooperate to establish a schedule and plan for the issuance of annual municipal property tax notices.
2. The parties shall cooperate to establish a process for handling and combining data for reporting purposes.
3. If City uses a computer system to maintain tax information, to enable the Trustee to import City property tax information into its computer system: City shall either (i) make its property tax database accessible by the Trustee's computer system or (b) from time to time (at Trustee's request) export and furnish to the Trustee its property tax database in a format that the Trustee's computer system is capable of importing.
4. City shall provide all required data requested from the County.

B. Trustee's Obligations.

1. Obtain and load tax files received from the Henry County Property Assessor.
2. Obtain and load tax history files which, at the discretion of the Trustee, may be a "static" file for prior year paid property taxes.
3. Maintain separate County and City files concerning State Application Credit Vouchers. The parties shall cooperate in maintaining the separate files.
4. Maintain data to provide the ability to distinguish applicable taxing districts including the existence of assessment districts.

VII. Trustee's Fee.

- A. City shall pay the Trustee a fee for services rendered by the County and Trustee under this Agreement in the amount equal to 1% of the City taxes (including any associated interest and penalties) collected by the Trustee. The fee shall be calculated and withdrawn from each payment of City taxes upon collection.
- B. The Parties agree to cooperate in future negotiations should it later be determined that an increase or decrease in the fee is supported by increased or decreased costs of the County collecting municipal property taxes on behalf of City.

VIII. Term. This Agreement shall become effective for the purposes of collection of City taxes by the Trustee on July 1, 2022 (City shall not collect City taxes after June 30, 2022). This Agreement is effective for all other purposes as provided in Section XIII(M). The term of this Agreement is five years (ending on June 30, 2027). Thereafter, unless and until a party gives the other party notice of termination as provided below, this Agreement shall automatically renew for one-year terms ending June 30 of each year.

IX. Termination.

- A. **Breach.** Should any party fail to fulfill in a timely and proper manner a material obligation under this Agreement or if any party should violate a material term of this Agreement, the non-breaching party shall provide the breaching party with notice of the breach. The breaching party will then have 30 calendar days from the receipt of the notice to cure the breach. Upon breach or default of any of the provisions set forth herein, the non-breaching party shall be entitled to any and all damages and other equitable relief permitted under the laws of the State of Tennessee.
- B. **Termination at End of Term.** Either party may unilaterally terminate this Agreement at the end of a term by written notice delivered to the other party at least 120 days prior to the end of the then-current term. Such termination shall not affect in any manner any prior existing obligations between the parties.
- C. **Termination for Convenience.** The parties may terminate this Agreement prior to the end of a term upon written agreement. Termination shall take effect on a date agreed to by the County and City. Such termination shall not affect in any manner any prior existing obligations between the parties.

X. **Cost.** Unless otherwise provided herein, each party shall be responsible for its own cost for the satisfaction of the obligations set forth herein.

XI. **Cooperation.** The parties agree to cooperate fully in order to successfully execute the terms and conditions of this Agreement including obtaining all regulatory and governmental approvals required by this Agreement recognizing that the intent of each party to the other is to serve the individual interests of each party while respecting the conditions and obligations of this Agreement.

XII. **Limitation on Liability.** Each party shall be responsible for its own actions, and the actions of its employees, contractors, subcontractors, and agents, conducted pursuant to this Agreement. Neither party shall be liable for claims against the other party unless liability is imposed under the Tennessee Governmental Tort Liability Act.

XIII. General Terms.

- A. **Choice of Law and Forum.** This Agreement shall be exclusively governed by the laws of the State of Tennessee. In the event that any section and/or term of this Agreement, or any exhibits hereto, becomes subject to litigation, the venue for such action will be exclusively maintained in a court of competent jurisdiction sitting in Henry County, Tennessee.
- B. **Notices.** All notices, demands and requests to be given hereunder by either party shall be in writing and must be sent by certified mail, return receipt requested. Notices sent from the City shall be mailed to the office address of the Henry County Mayor and Henry County Trustee and copied to the office address of the Henry County Attorney and Henry County Delinquent Tax Attorney. Notices sent from the County shall be mailed to the office address of the City Mayor and (if City has a City Manager) the office address of the City Manager.

- C. **Entire Agreement and Modifications in Writing.** This Agreement and any exhibits included herewith at the time of execution of this Agreement contain the entire agreement between the parties, and no statement, promises, or inducements made by either party or agent of either party that is not contained in this written Agreement shall be valid or binding; and this Agreement may not be enlarged, modified, or altered except in writing and signed by the parties and attached hereto.
- D. **Dispute Resolution.** The parties agree to participate in good faith non-binding mediation in an attempt to resolve any disputes. Notwithstanding the foregoing statement, any claims, disputes or other matters in question between the parties to this Agreement, arising out of or relating to this Agreement or breach thereof, shall be subject to and decided by a court of law.
- E. **Assignment.** The rights and obligations of this Agreement are not assignable.
- F. **Waiver.** No waiver of any provision of this Agreement shall be valid unless in writing and signed by the parties against who charged.
- G. **Headings.** The headings in this Agreement are for convenience and reference and are not intended to define or limit the scope of any provision of this Agreement.
- H. **Employment Practices.** Neither party shall subscribe to any personnel policy which permits or allows for the promotion, demotion, employment, dismissal or laying off of any individual due to race, creed, color, national origin, age, sex or which is in violation of applicable laws concerning the employment of individuals with disabilities. The parties shall not knowingly hire any unauthorized employees or fail to comply with record keeping requirements set forth in the Federal Immigration Reform and Control Act of 1986, Chapter 878 of the 2006 Tennessee Public Acts and all other applicable laws.
- I. **Relationship Between the Parties.** The relationship of the parties shall be that of an independent Contractor. No principal-agent or employer-employee relationship is created by this Agreement. The parties hereto shall not hold itself out in a manner contrary to the terms of this paragraph. No party shall become liable for any representation, act or omission of any other party contrary to the terms of this paragraph.
- J. **Severability.** If any one or more of the covenants, agreements or provisions of this Agreement shall be held contrary to any expressed provisions of law or contrary to any policy of expressed law, although not expressly prohibited, or contrary to any express provision of public policy, or shall for any reason whatsoever be held invalid, then such covenants, agreements or provisions shall be null and void and shall be deemed separate from the remaining covenants, agreements or provisions of this Agreement.
- K. **Specific Performance.** The parties recognize that the rights afforded to each under this Agreement are unique and, accordingly, County and City shall, in addition to such other remedies as may be available to them in equity, have the

right to enforce their respective rights hereunder by an action for injunctive relief and/or specific performance to the extent permitted by law.

- L. **Compliance with Laws.** The parties shall comply with all laws of the United States of America, the State of Tennessee, and local laws and shall secure all necessary permits and licenses and keep the same in force during the term of this Agreement.
- M. **Effective Date.** This Agreement shall not be binding upon the parties until it has been properly approved by the legislative bodies of the respective parties, it has then been signed first by the authorized representatives for City and then by the authorized representatives of Henry County and has been filed in the office of the County Mayor. When it has been so signed and filed, this contract shall be effective as of the date written below.

IN WITNESS WHEREOF, the County and City have executed this Agreement effective as of the date and year written below.

COUNTY

By: John Penn Ridgway Date: 6-17-22
County Mayor

By: Randi A. French Date: 06-17-2022
County Trustee

CITY

By: David Vance Date: 6-14-22
City Mayor

By: Yuk Smith Date: 6-14-22
City Manager or Recorder

INTERLOCAL AGREEMENT BETWEEN HENRY COUNTY, TENNESSEE AND THE CITY OF HENRY, TENNESSEE FOR THE COLLECTION OF PROPERTY TAXES

THIS INTERLOCAL AGREEMENT, ("Agreement"), is entered into by and between HENRY COUNTY, TENNESSEE, ("County"), a political subdivision of the State of Tennessee, and the CITY OF HENRY, TENNESSEE, ("City"), a municipal government located within the County.

WHEREAS, County and City are both local governmental entities of the State of Tennessee and, as such, are authorized to enter into an interlocal agreement pursuant to TENN. CODE ANN. § 12-9-104; and

WHEREAS, currently City collects their own municipal property taxes; and

WHEREAS, TENN. CODE ANN. § 67-5-1801, *et seq.* authorizes a County Trustee to collect municipal property taxes on behalf of municipalities within the boundaries of the collecting county; and

WHEREAS, the terms of the interlocal define the obligations concerning collection of municipal property taxes, collection of delinquent municipal taxes, and establishment of a fee for provision of services provided on behalf of City in the amount equal to 1% of the City taxes collected by the County Trustee (calculated and paid on a per-parcel basis, as each parcel is collected); and

WHEREAS, the parties desire to cooperate to transfer the responsibility to collect City's municipal property taxes as well as a development of a plan to educate the public concerning the change in the process to collect the municipal property taxes:

NOW THEREFORE, in consideration of the mutual promises contained herein, the sufficiency of which is hereby acknowledged, the parties agree as follows:

- I. **Purpose of Agreement.** The purpose of this Interlocal Agreement is to set forth the obligations of City and County for the transfer of the obligation to collect City's municipal property taxes and set the amount of the County Trustee's fee for collecting City taxes.
- II. **Authority.** This Agreement is made and entered into pursuant to the authority granted to the parties under the *Interlocal Cooperation Act*, TENN. CODE ANN. § 12-9-101, *et seq.*, and the parties agree that all approvals and filings required by the terms of the Act shall be achieved as soon as possible from and after the execution of this Agreement. The authority for the County to collect municipal property taxes is found under TENN. CODE ANN. § 67-5-1801, *et seq.*
- III. **City's Responsibilities.**
 - A. City shall individually develop, implement, and fund a plan to advertise and educate its respective property owners concerning the transfer of responsibilities to collect City's municipal property taxes. The plan shall include a detailed explanation of the change in the process to assess and collect municipal property taxes as well as the means of paying the municipal property taxes. City shall provide a copy of the plan to the County Trustee prior to implementing the plan to provide the Trustee the opportunity to comment on the proposed plan.
 - B. If City maintains a website, City shall post on such website links to the County Trustee's website and tennesseetrustee.org.

- C. City shall continue to receive and respond to inquiries and questions from citizens regarding aspects of the collection of municipal property taxes.
- D. City shall cooperate and assist County in responding to inquiries and questions concerning the collection of municipal property taxes that the County receives from property owners within City's jurisdictions. Should the County be unable to respond to an inquiry or question received from a property owner within City's jurisdiction, then County shall forward the inquiry or question to City to respond.
- E. City shall pay the fee set herein to the County for the collection of municipal property taxes.
- F. City shall, upon request of the County Trustee, cooperate with the County in developing the format and design of property tax statements to be sent by the County to taxpayers.
- G. City shall establish notification protocols to ensure all parties to a bankruptcy are properly notified, including notification to the County Trustee and—if the bankruptcy debtor is a defendant in a lawsuit seeking to collect delinquent taxes—the County Chancery Court and County Delinquent Tax Attorney.
- H. City shall cooperate with County concerning all aspects for the transfer of the responsibility of collecting municipal property taxes on the behalf of City.
- I. City shall comply with County procedures and guidelines created pursuant to this Agreement or related to the services provided by County under this Agreement.
- J. City shall continue to be solely responsible for the assessment, billing, and collection of fire fees.
- K. City shall be responsible for the assessment, billing, and collection of any future fees or assessment projects initiated by City.
- L. City shall implement safeguards against the collection of its municipal property taxes. City shall immediately remit any property taxes received by City to the Trustee's Office.

IV. County's Responsibilities.

- A. The County shall be responsible for the provision of personnel, equipment, and other needed resources required for the assessment and collection of municipal property taxes on behalf of City.
- B. The County shall be responsible for contacting the County software vendor to incorporate City's tax data including, but not limited to, delinquent amounts, rollback amounts, tax relief, and tax rates into the tax program used by the Trustee.
- C. The County shall obtain such services as may be necessary to assist in the collection of City's municipal property taxes.

V. Trustee's Responsibilities.

- A. **Assessment of the property tax rates.** The Trustee shall receive the tax assessment from the Henry County Assessor concerning those properties lying within City's jurisdiction.
- B. **Tax Notices.** The Trustee shall be responsible for the following:

1. Issue municipal property tax notices starting in October of each tax year;
2. Send delinquent municipal property tax notices to those property owners who have delinquent taxes;
3. Record the assessment and issue municipal property tax notices for both locally assessed properties;
4. Send bills concerning any properly authorized Payment-In-Lieu-of-Taxes programs existing within City's jurisdiction; and
5. Provide bankruptcy postings to the tax records.

It is understood that names and addresses for tax notices are furnished by the taxpayers and, from time to time, may be out of date; these provisions require only the sending of notices to the last known taxpayer name/address according to the records of the County Trustee. These provisions shall not be interpreted to impose on the County Trustee a greater duty to send tax notices than is required of a municipal tax collector under applicable law.

- C. **Adjustment to Property Tax Rates.** The Trustee shall process adjustments received from the Henry County Property Assessor and shall post and process adjustments concerning roll back and tax relief programs.
- D. **Collection of Taxes.** The Trustee shall be responsible for the following:
 1. Collect each year's municipal property taxes on behalf of City including collecting partial taxes if authorized;
 2. Collect delinquent municipal property taxes in the same manner the Trustee collects delinquent County property taxes;
 3. Process municipal property tax overpayments and refunds;
 4. Apply the pay procedure that appropriately applies municipal property tax payments when prior year property taxes are due; and
 5. Create a process and define safeguards that City shall implement to address property taxes that are paid directly to City. City shall immediately remit the received property taxes to the Trustee's Office.
- E. **Delinquent Property Taxes.** The Trustee shall issue delinquent property tax bills and receive delinquent payments. The Trustee will work with the County Delinquent Tax Attorney to seek payment of delinquent municipal property taxes. The Trustee shall apply the same interest and penalties on behalf of City on a monthly basis for those municipal property taxes that are delinquent as provided in TENN. CODE ANN. § 67-5-2010. The existing interlocal agreement between the County and City concerning the enforcement of delinquent taxes through the filing of a delinquent tax collection lawsuit by the County Delinquent Tax shall remain in full force and effect.
- F. **Tax Relief.** The Trustee shall be responsible for maintaining and administering applicable tax relief programs.

H. Remittance of Property Taxes to City. The Trustee shall remit collected property taxes received on behalf of City each month by the 13th day of the next month unless County provides notice to City of an event that will delay payment and the reason for the delay.

VI. Data Management.

A. Joint Obligations.

1. The parties shall cooperate to establish a schedule and plan for the issuance of annual municipal property tax notices.
2. The parties shall cooperate to establish a process for handling and combining data for reporting purposes.
3. If City uses a computer system to maintain tax information, to enable the Trustee to import City property tax information into its computer system: City shall either (i) make its property tax database accessible by the Trustee's computer system or (b) from time to time (at Trustee's request) export and furnish to the Trustee its property tax database in a format that the Trustee's computer system is capable of importing.
4. City shall provide all required data requested from the County.

B. Trustee's Obligations.

1. Obtain and load tax files received from the Henry County Property Assessor.
2. Obtain and load tax history files which, at the discretion of the Trustee, may be a "static" file for prior year paid property taxes.
3. Maintain separate County and City files concerning State Application Credit Vouchers. The parties shall cooperate in maintaining the separate files.
4. Maintain data to provide the ability to distinguish applicable taxing districts including the existence of assessment districts.

VII. Trustee's Fee.

- A. City shall pay the Trustee a fee for services rendered by the County and Trustee under this Agreement in the amount equal to 1% of the City taxes (including any associated interest and penalties) collected by the Trustee. The fee shall be calculated and withdrawn from each payment of City taxes upon collection.
- B. The Parties agree to cooperate in future negotiations should it later be determined that an increase or decrease in the fee is supported by increased or decreased costs of the County collecting municipal property taxes on behalf of City.

VIII. Term. This Agreement shall become effective for the purposes of collection of City taxes by the Trustee on July 1, 2022 (City shall not collect City taxes after June 30, 2022). This Agreement is effective for all other purposes as provided in Section XIII(M). The term of this Agreement is five years (ending on June 30, 2027). Thereafter, unless and until a party gives the other party notice of termination as provided below, this Agreement shall automatically renew for one-year terms ending June 30 of each year.

IX. Termination.

- A. **Breach.** Should any party fail to fulfill in a timely and proper manner a material obligation under this Agreement or if any party should violate a material term of this Agreement, the non-breaching party shall provide the breaching party with notice of the breach. The breaching party will then have 30 calendar days from the receipt of the notice to cure the breach. Upon breach or default of any of the provisions set forth herein, the non-breaching party shall be entitled to any and all damages and other equitable relief permitted under the laws of the State of Tennessee.
- B. **Termination at End of Term.** Either party may unilaterally terminate this Agreement at the end of a term by written notice delivered to the other party at least 120 days prior to the end of the then-current term. Such termination shall not affect in any manner any prior existing obligations between the parties.
- C. **Termination for Convenience.** The parties may terminate this Agreement prior to the end of a term upon written agreement. Termination shall take effect on a date agreed to by the County and City. Such termination shall not affect in any manner any prior existing obligations between the parties.

X. **Cost.** Unless otherwise provided herein, each party shall be responsible for its own cost for the satisfaction of the obligations set forth herein.

XI. **Cooperation.** The parties agree to cooperate fully in order to successfully execute the terms and conditions of this Agreement including obtaining all regulatory and governmental approvals required by this Agreement recognizing that the intent of each party to the other is to serve the individual interests of each party while respecting the conditions and obligations of this Agreement.

XII. **Limitation on Liability.** Each party shall be responsible for its own actions, and the actions of its employees, contractors, subcontractors, and agents, conducted pursuant to this Agreement. Neither party shall be liable for claims against the other party unless liability is imposed under the Tennessee Governmental Tort Liability Act.

XIII. General Terms.

- A. **Choice of Law and Forum.** This Agreement shall be exclusively governed by the laws of the State of Tennessee. In the event that any section and/or term of this Agreement, or any exhibits hereto, becomes subject to litigation, the venue for such action will be exclusively maintained in a court of competent jurisdiction sitting in Henry County, Tennessee.
- B. **Notices.** All notices, demands and requests to be given hereunder by either party shall be in writing and must be sent by certified mail, return receipt requested. Notices sent from the City shall be mailed to the office address of the Henry County Mayor and Henry County Trustee and copied to the office address of the Henry County Attorney and Henry County Delinquent Tax Attorney. Notices sent from the County shall be mailed to the office address of the City Mayor and (if City has a City Manager) the office address of the City Manager.

- C. **Entire Agreement and Modifications in Writing.** This Agreement and any exhibits included herewith at the time of execution of this Agreement contain the entire agreement between the parties, and no statement, promises, or inducements made by either party or agent of either party that is not contained in this written Agreement shall be valid or binding; and this Agreement may not be enlarged, modified, or altered except in writing and signed by the parties and attached hereto.
- D. **Dispute Resolution.** The parties agree to participate in good faith non-binding mediation in an attempt to resolve any disputes. Notwithstanding the foregoing statement, any claims, disputes or other matters in question between the parties to this Agreement, arising out of or relating to this Agreement or breach thereof, shall be subject to and decided by a court of law.
- E. **Assignment.** The rights and obligations of this Agreement are not assignable.
- F. **Waiver.** No waiver of any provision of this Agreement shall be valid unless in writing and signed by the parties against who charged.
- G. **Headings.** The headings in this Agreement are for convenience and reference and are not intended to define or limit the scope of any provision of this Agreement.
- H. **Employment Practices.** Neither party shall subscribe to any personnel policy which permits or allows for the promotion, demotion, employment, dismissal or laying off of any individual due to race, creed, color, national origin, age, sex or which is in violation of applicable laws concerning the employment of individuals with disabilities. The parties shall not knowingly hire any unauthorized employees or fail to comply with record keeping requirements set forth in the Federal Immigration Reform and Control Act of 1986, Chapter 878 of the 2006 Tennessee Public Acts and all other applicable laws.
- I. **Relationship Between the Parties.** The relationship of the parties shall be that of an independent Contractor. No principal-agent or employer-employee relationship is created by this Agreement. The parties hereto shall not hold itself out in a manner contrary to the terms of this paragraph. No party shall become liable for any representation, act or omission of any other party contrary to the terms of this paragraph.
- J. **Severability.** If any one or more of the covenants, agreements or provisions of this Agreement shall be held contrary to any expressed provisions of law or contrary to any policy of expressed law, although not expressly prohibited, or contrary to any express provision of public policy, or shall for any reason whatsoever be held invalid, then such covenants, agreements or provisions shall be null and void and shall be deemed separate from the remaining covenants, agreements or provisions of this Agreement.
- K. **Specific Performance.** The parties recognize that the rights afforded to each under this Agreement are unique and, accordingly, County and City shall, in addition to such other remedies as may be available to them in equity, have the

right to enforce their respective rights hereunder by an action for injunctive relief and/or specific performance to the extent permitted by law.

- L. **Compliance with Laws.** The parties shall comply with all laws of the United States of America, the State of Tennessee, and local laws and shall secure all necessary permits and licenses and keep the same in force during the term of this Agreement.
- M. **Effective Date.** This Agreement shall not be binding upon the parties until it has been properly approved by the legislative bodies of the respective parties, it has then been signed first by the authorized representatives for City and then by the authorized representatives of Henry County and has been filed in the office of the County Mayor. When it has been so signed and filed, this contract shall be effective as of the date written below.

IN WITNESS WHEREOF, the County and City have executed this Agreement effective as of the date and year written below.

COUNTY

By: John Penn Ridgway Date: 6-8-22
County Mayor

By: Randi A. Gruch Date: 06-08-22
County Trustee

CITY

By: [Signature] Date: 6/2/22
City Mayor

By: Sonya Clayton Date: 6/2/22
City Manager or Recorder

