



Municipal Technical Advisory Service
INSTITUTE for PUBLIC SERVICE

MUNICIPAL E - NEWS

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MTAS ... in cooperation with the Tennessee Municipal League



NEW MATERIALS AT MTAS

Setting the cannabis bar: best practices in recycling and disposing of cannabis waste

[Request this item](#)

FCC small-cell ruling adds federal restrictions on local decision-making

[Request this item](#)

Dude, where's my rates?: best [and worst] practices in providing rate information online

[Request this item](#)

Public sector retirement bridge supplement usage in selected Tennessee cities

[Download](#)

All new materials added to MTAS' Knowledgebase can be viewed here: [View](#)

All new materials added to MRLn can be found here: [View](#)



UPCOMING TRAINING CLASSES
bit.ly/MTAS_trainingcalendar



MTAS now has a LinkedIn page! Follow us at [linkedin.com/company/utmtas](https://www.linkedin.com/company/utmtas) to see the latest in MTAS produced information, job openings in Tennessee municipalities and here at MTAS. We look forward to connecting with you and keeping you up-to-date on all things related to municipal government.



Join us for our last in a series of 4 webinars to introduce you to MRLn!
SEPTEMBER 23, 2019 | 10 AM EASTERN

Link to join via Zoom:
<https://tennessee.zoom.us/j/782417055>



HOW DO YOUR DECISIONS IMPACT YOUR COMMUNITY?

Greetings Municipalities,

Here is a brief history lesson for you as we approach the 100th anniversary of the 19th amendment of the U.S. Constitution. The 19th amendment granted American women the right to vote. On June 4, 1919, Congress approved the 19th amendment to the constitution that then required the states to ratify the amendment. Tennessee was the 36th of 36 states needed to ratify the amendment and on Aug. 9, 1920, the Tennessee state legislature ratified the amendment to the constitution by two votes.



So why am I mentioning this? Think about the impact this vote had on the nation. Think about how close it came to not passing that day. In your community, how many decisions come down to a single vote that changes the course of history in your municipality? We just finished budget adoption season in June. Was the budget vote a close one where you live? If so, what was the divisive issue? Will that issue affect your city or town for more than a year; what about 100 years?

What happens in every level of government matters. Some would argue that local government has the largest impact because residents see and feel that impact directly and daily (think streets and garbage collection and water/wastewater). I've often heard the saying that local government is "where the rubber meets the road."

So, what you do for your community counts; every action, every decision, every day. Those decisions may not rise to the level of making national history, but they do make a difference in your town: for your family, your friends and your neighbors; and not only for today, but for tomorrow, next month, next year and maybe even the next century.

Therefore, choose wisely and when in doubt, call MTAS for advice, to bounce an idea off of someone who has "been there and done that," to do research for more information, to get needed training, and sometimes to reassure you that "you're right."

Our mission is "We work with Tennessee municipalities to improve the lives of those they serve." Please call on us to help you make a better life for your constituents that perhaps a newspaper will write about a time that you made history.

Most sincerely,

Margaret Norris

Margaret Norris
MTAS Executive Director

MUNICIPAL BANKING SERVICES MUST NOW BE EVALUATED EVERY FOUR YEARS

By Kay Stegall, MTAS Finance & Accounting Consultant

Banking services must be evaluated at least every four years and proposals must be from at least two banks. This requirement is the result of Public Chapter 277 which was signed into law on May 2, 2019 by the governor.

The statute requires a contract for banking services be based on the evaluation of proposals, which should be documented for audit purposes.

The law was effective July 1, 2019 thus banking services must be evaluated within the next four years or when the current contract expires whichever is sooner.



More detail guidance and a sample form for requesting quotes for bank services can be found at the following website. <https://www.mtas.tennessee.edu/finance-and-accounting>

In addition to these resources an MTAS City Byte is being created and should be posted to the MTAS website in the near future. City Byte is a short video created by MTAS, covering specific topics of interest, which is accessible on the MTAS home page in the scrolling screen.

If you have questions, contact Kay Stegall at kay.stegall@tennessee.edu.

RETAIL EDUCATION, ASSISTANCE AND MARKETING FOR YOUR COMMUNITY: MTAS' TENNESSEE RETAIL ALLIANCE

By Angie Carrier, MTAS Municipal Management Consultant

Tennessee cities are the economic engine of our state. For many communities, sales tax is the predominant revenue stream to provide services to the citizens of Tennessee. MTAS's new Tennessee Retail Alliance will provide a vehicle to assist communities in promoting economic development through retail recruitment, to increase jobs and increase their sales tax revenue.

Because MTAS strives to improve the lives of Tennesseans by providing the best customer service to our cities, we have identified a need for additional support for cities and towns as they work on retail recruitment efforts. The Tennessee Retail Alliance will address this need.

The Tennessee Retail Alliance will take a three-tiered approach in supporting municipal retail recruitment:

- Education, including assistance with the Tennessee Retail Academy benchmarks,
- Assistance with identifying and marketing properties with the Site Strategies technology, and
- Provide marketing at relevant regional and national events.

These events include the International Council Shopping Center events including the Tennessee Retail Academy in conjunction with the TN/KY Idea Exchange in Nashville, the ICSC Southeast Regional Conference in Atlanta and RECon in Las Vegas, which has the largest show floor in the industry for retail deal making.

Prior to finalizing the structure to the Tennessee Retail Alliance, MTAS would love your input on your needs in retail recruitment, your willingness to participate, and how to determine membership dues.



Angie Carrier, MTAS Municipal Management Consultant presents the concept of the Tennessee Retail Alliance at the Tennessee Retail Academy sponsored by the Tennessee Department of Economic and Community Development this summer in Nashville.

Please take a few minutes to complete the survey below:

<https://utk.questionpro.com/t/AOjrVZe4Jq>

IS YOUR CITY MISSING OUT ON SALES TAX REVENUES? DUE DILIGENCE AND SITUS REPORTS

By Brad Harris, MTAS Finance & Accounting Consultant



Cities and counties across Tennessee depend on sales taxes and business taxes for much needed revenue. When a business opens, it has to apply for a business license and sales tax number. In the application process, the applicant must tell the state where the business is located. If a person opens a business in a particular jurisdiction, the application may only tell the state that they are located 1) in a city or county, 2) a nearby city or county, or 3) wherever their home office or residence is located.

Sometimes businesses get identified with an incorrect SITUS location code. A SITUS code is a unique four-digit code... unique to every city and county in Tennessee. SITUS is defined as ‘the place to which, for purposes of legal jurisdiction or taxation, a property belongs.’ If an incorrect code is assigned, the local government that is rightfully due the taxes will most likely not get those funds. Another factor that could cause a local government not to receive taxes is the fact that the state is also using GIS to determine where businesses are located, and errors have been reported where a business clearly within one jurisdiction was placed in another jurisdiction. Additionally, businesses that are ‘chains’ and have many stores (convenience stores, for example) sometimes will put their home office on their application.

Local governments should obtain a SITUS report from the Tennessee Department of Revenue periodically to review businesses assigned their government’s SITUS location code. This can be downloaded as often as a government wishes to review it, but it would be prudent to review your list at least twice per year. A government should download a report for both business tax (if the local government has a business tax) as well as for local sales tax. Local governments can register online to get reports themselves. They need a user name and password, and the link to download reports is here: https://tntap.tn.gov/REP/_/#3. Local governments should first call the Tennessee Department of Revenue at 615-532-8944 to get set up. Keep in mind that this is confidential information for users. You will only be able to obtain a report for your SITUS code and any zip code that touches your city or county limits. With the process for getting a SITUS report being this straightforward, there really is no reason not to access your city’s reports on a regular basis.

It is critical to understand that a local government can only go back one year to recoup money it did not receive. Local governments MUST take the initiative to do this. They need to know when a new business comes to town, and they need to review their own reports to be sure the new business has been assigned the correct code for their city. If the business is not on the SITUS report, but is located in the city, the city needs to contact the Tennessee Department of Revenue. Cities must be prudent to make sure that all tax revenue due is received.

If you have questions on this topic or any others, contact your MTAS finance or municipal management consultant. MTAS staff contact information is on the MTAS website: <http://www.mtas.tennessee.edu/staff>

GOOD GOVERNANCE REQUIRES GOOD LEADERSHIP AND GOOD LEADERSHIP REQUIRES GOOD TRAINING

You may have heard that as the leadership goes, so goes the organization. People follow leaders and leadership is critical for setting the tone and culture of any organization. Although we usually associate leadership with a position and title, it goes beyond positions and titles. Leadership is a behavior and anyone can lead no matter what position they hold within the organization. Understanding the importance and impact of leadership is crucial for good governance in municipalities because people follow leaders and as municipal leadership goes so goes the municipality. By allowing elected officials and administrative staff, at all levels, to learn more about leadership you build their capacity for good governance and in-turn the municipality's capacity for service.

People want to be good leaders but they often are left wondering how. The Municipal Administrative Program (MAP) is a MTAS training program that provides elected officials and administrative staff with the knowledge and tools needed to lead and guide municipalities. Courses offered cover a wide variety of topics ranging from highly technical skills to effective leadership practices. We are excited about two upcoming training opportunities in leadership. **Leading a Culturally Diverse Workforce** is a MTAS training course designed to provide participants with insights, knowledge and practical strategies to manage challenges associated with leading a culturally diverse workforce. **Lead From Where You Are** will introduce participants to essential leadership behaviors and key mindset shifts to increase one's leadership abilities, no matter the position level.

If you would like more information about these courses please contact:

Sarah Curtis at sarah.curtis@tennessee.edu (615) 253-6385

Joe Hollister at joe.hollister@tennessee.edu (615) 733-0603

MTAS ON THE 10 MOST COMMON AUDIT FINDINGS FOR TENNESSEE MUNICIPALITIES (PARTS 3 AND 4 IN A 10 PART SERIES IN 2019)

By Al Major, MTAS Finance & Accounting Consultant

Common Audit Finding | Bank Reconciliations Not Performed Timely (Part 3)

Municipal officials should consider monthly bank reconciliations to be one of the most important internal controls. Without a reconciled third party confirmation (the bank statement), you cannot confirm any bank balance in your general ledger or financial statement.

In small towns, the mayor or council should review the monthly bank reconciliation and confirm that it supports the general ledger balance amounts. Specifically:

- Bank statements should be reconciled with the cash balances presented in the accounting records (general ledger).
- Bank reconciliations should be prepared within 30 days after the bank statements are received from the bank.
- Municipal officials should ensure that a management level employee periodically reviews bank statements and the related reconciliations to determine that they are accurate, and all activity is authorized and properly recorded.



Common Audit Finding | Inadequate Support for Disbursements (Part 4)

Purchasing and budget limitations are essential to good municipal financial management. However, disbursements must be documented for accuracy, completeness, and compliance with applicable laws.

Failure to obtain bids:

Your city is using the statutory minimum for bids or your city has passed an ordinance for a higher bid limit. You simply cannot purchase items above your limit without taking bids.

Missing invoices and receipts:

An original invoice or receipt is generally necessary to prove that a disbursement is valid and legitimate for the municipality. Any disbursement without an invoice or receipt is considered inappropriate.

Purchase orders dated after the invoice date:

Your city uses a purchase order system. It is a standard internal control designed to request the proper item needed. Most vendors know that a municipality will not pay any invoices without an authorizing purchase order number. Back dating a purchase order, renders any internal control value of the purchase order to nothing. It would be a waste of time and be inappropriate.

Supporting documentation for travel expenses not obtained:

Finally, travel expenses are often mixed with personal, non-municipal, receipts. However, reimbursement for travel expense requires proper receipts like any other disbursement.

This series will review the 10 most common audit findings as reported by the Tennessee State Comptroller's Office. All parts of this series can be found in Knowledgebase on the MTAS website: [View](#)

If you have questions or need assistance, contact MTAS at 865-974-0411. Also, visit our website at www.mtas.tennessee.edu.

TREEDC MEMBERS MAKING A DIFFERENCE

Chattanooga Cuts Energy Use by 30%

According to the Chattanooga Times Free Press, the city of Chattanooga has cut its energy use by 30 percent in the past five years, making the city a leader in the U.S. Department of Energy's [Better Building Initiative](#).



Through energy-efficient lighting, new and improved heating and cooling systems and improved operations at the Moccasin Bend Sewage plant, Chattanooga has cut its use of energy by 30 percent since 2013 and city officials are looking for more savings in the future. In a recent report by the U.S. Department of Energy on its Better Buildings challenge, Chattanooga ranked the best among 25 challenge participants in achieving the greatest savings in energy use intensity.

The Better Building challenge runs through 2025 and the city is eager to make even more improvements even though Chattanooga has already exceeded the nationwide goal set by the U.S. Department of Energy to cut energy use by 20 percent in public buildings in a decade.

The city has made even bigger upgrades at its biggest energy user, the Moccasin Bend Sewage Treatment Plant where energy consumption decreased by well over 30 percent. The city is planning for even more energy savings at its sewage plant with water treatment pond improvements and the installation of a new three-megawatt solar farm to be built by next spring to generate about 8 percent of the power used in treating sewage at the city plant. Congratulations, Chattanooga!

C2 Energy Capital Completes Largest Solar Project Installed on a Landfill in Tennessee

Warren Nevad, MTAS Municipal Management Consultant and TREEDC Executive Director



C2 Energy Capital, LLC has announced the completion of a 2.7 megawatt (MW) solar power generation plant located near Somerville, the largest solar project installed on a landfill in Tennessee. The power generated from the project will be sold to the Tennessee Valley Authority (TVA) under a 20-year Power Purchase Agreement.

“Solar facilities installed on landfills are some of the most difficult to construct,” Candice Michalowicz, co-founder and managing member of C2 Energy Capital, said. “Our team’s effort and experience in completing this project turned previously unusable land to a clean, solar power system, a tax-paying property, and created jobs. We are very proud to have participated in the effort.”

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TREEDC MEMBERS MAKING A DIFFERENCE (CONTINUED)

Metro-Nashville Plans for Renewable Energy and Energy Efficiency

Metropolitan Council (the legislative authority of the Metropolitan Government of Nashville and Davidson County) approved three bills aimed at stimulating Metro-Nashville's energy efficient and sustainability future:

- **Bill BL2019-1598:** By January 1, 2022, and every two years thereafter, the Metro-Nashville Department of General Services shall develop a greenhouse gas emissions reduction plan for its vehicle fleet. The plan shall include proposals on how to meet the above targets and goals for reducing emissions as well as associated cost estimates. By 2050, 100% of vehicles in the Metro-owned fleet shall be zero-emission vehicles.
- **Bill BL2019-1599:** By July 1, 2020, the Metro-Nashville Department of General Services shall develop a strategic energy management plan for reducing energy and water use across Metro-owned buildings. The plan will identify ways to retrofit existing facilities with a goal of achieving at least 20% reductions in both energy use and greenhouse gas emissions in 9% of Metro-owned buildings by square footage between 2021 and 2024; the plan will also identify a method for implementing a LEED Zero retrofit program in 12.5% of Metro-owned buildings by square footage between 2026 and 2032. Metro-Nashville must also adopt higher sustainability standards for new construction projects that "exceed five thousand gross square feet of occupied space or for which the total project cost exceeds two million dollars."
- **Bill BL2019-1600:** By 2041, all Metro-owned buildings must be powered by 100% carbon free, renewable energy sources. The renewable energy portfolio standard for Metro-Nashville is defined by year here, from 2020 to 2041.



INSTITUTE FOR PUBLIC SERVICE ANNUAL CONFERENCE 2019 - HIGHLIGHTS FOR MTAS IN PICTURES

MTAS, as an agency of the part of The University of Tennessee Institute for Public Service (IPS), attended the annual IPS conference to improve professional skills and network with colleagues whom are often only met in person at this annual event. This year's conference was in Memphis and were able to take in advantage of several of the important landmarks in Memphis such as the National Civil Rights Museum and Slave Haven. Additionally, awards are presented at the conference and MTAS is especially proud of our co-workers who were recognized by their peers for excellence in their contributions.



Mayor Jim Strickland welcomes IPS employees to Memphis on the first day of Annual Conference.



IPS Vice President Dr. Herb Byrd III kicks off the 2019 IPS Annual Conference in Memphis.

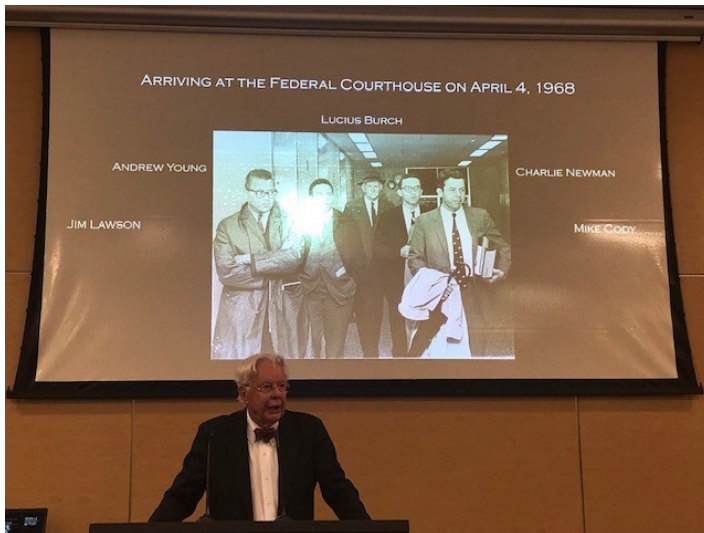


University of Tennessee Interim President Randy Boyd addresses the IPS Annual Conference attendees.

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INSTITUTE FOR PUBLIC SERVICE ANNUAL CONFERENCE 2019 - HIGHLIGHTS FOR MTAS IN PICTURES (CONTINUED)



W.J. Michael Cody, Attorney, Burch, Porter & Johnson, PLLC spoke to IPS employees at a dinner event at the National Civil Rights Museum. Cody was part of the legal team that represented Dr. Martin Luther King, Jr. in Memphis during April 3-4, 1968.



IPS welcomed Dr. Christine M. Darden, Retired Senior Staff & Researcher at the NASA Langley Research Center as the keynote speaker. Dr. Darden signed copies of the book, Hidden Figures, for employees following her speech.



MTAS Municipal Management Program Manager Pat Hardy gets his copy of Hidden Figures signed by Dr. Darden.

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INSTITUTE FOR PUBLIC SERVICE ANNUAL CONFERENCE 2019 - HIGHLIGHTS FOR MTAS IN PICTURES (CONTINUED)



MTAS Finance & Accounting Consultant Ralph Cross was this year's winner of the Robert S. Hutchison Outstanding Public Service Professional Award. Presented by IPS Vice President Dr. Byrd, this award is given to a full-time, exempt staff member who has consistently shown extraordinary commitment to the public service mission, the institute and the university.



Following the announcement of his award, Cross is congratulated by MTAS Executive Director Margaret Norris.



MTAS' Bethany Weiner was the recipient of a Five Franklins Award at the IPS Annual Conference. A Five Franklin Award is presented to IPS staff members who demonstrate great work and service to the institute.



MTAS Fire Consultant Steve Cross was also a recipient of the Five Franklins Award at the 2019 IPS Annual Conference.

UPCOMING CONFERENCES

TENNESSEE ASSOCIATION OF MUNICIPAL CLERKS AND RECORDERS FALL CONFERENCE

September 18-20, 2019 | Murfreesboro

TENNESSEE GOVERNMENT FINANCE OFFICERS ASSOCIATION FALL CONFERENCE

October 9-11, 2019 | Murfreesboro

TnPRIMA ANNUAL CONFERENCE

November 20-22, 2019 | Franklin



The logo for the ICMA Nashville Tennessee 2019 conference features a dark blue background with four white icons in a 2x2 grid: a guitar, crossed fork and knife, a person running, and a cowboy boot. To the right, the text reads "ICMA conference" in white, followed by "NASHVILLE — TENNESSEE —" in green and blue, "105th Annual Conference" in blue, and "OCTOBER 20-23 2019" in green and blue.

MARK YOUR CALENDAR! TREEDC 6TH ANNUAL CONFERENCE

2019 TREEDC State and National Renewable Energy 6th Annual Conference
Dec. 12 & 13, 2019 | Hosted By Tennessee Tech University

This conference will feature mayoral panels showcasing best practices in economic development, energy efficiency and innovation in renewable energy. Attendees will also hear from leaders with state and federal government agencies about the future of renewable energy. The conference will include special awards.



REGISTRATION OPTIONS:

- Individual registration | \$60
- Day of conference | \$75
- Booth registration | \$225
- Reception and meals sponsor | \$1,000

FOR MORE INFORMATION CONTACT:

mayorland@gmail.com

REGISTRATION LINK:

[Register](#)

