

TITLE 5

MUNICIPAL FINANCE AND TAXATION

CHAPTER

1. MISCELLANEOUS.
2. REAL PROPERTY TAXES.
3. PRIVILEGE TAXES.
4. PURCHASING REQUIREMENTS.

CHAPTER 1

MISCELLANEOUS

SECTION

- 5-101. Official depository for city funds.
5-102. Returned check fee.

5-101. Official depository for city funds. The Farmer's Bank of Ridgetop, Tennessee, is hereby designated as the official depository of all the city funds. (Ord. #89-4, Sept. 1989)

5-102. Returned check fee. A twenty-five dollar (\$25.00) fee be charged for checks returned to the city due to insufficient funds. (as added by Ord. #2004-100, March 2004)

CHAPTER 2

REAL PROPERTY TAXES

SECTION

5-201. When due and payable.

5-202. When delinquent--penalty and interest.

5-201. When due and payable.¹ Taxes levied by the city against real property shall become due and payable annually on the first Monday of October of the year for which levied. (1977 Code, § 6-201)

5-202. When delinquent--penalty and interest.² All real property taxes shall become delinquent on and after the first day of March next after they become due and payable and shall thereupon be subject to such penalty and interest as is authorized and prescribed by the state law for delinquent county real property taxes.³ (1977 Code, § 6-202)

¹State law references

Tennessee Code Annotated, §§ 67-1-701, 67-1-702 and 67-1-801, read together, permit a municipality to collect its own property taxes if its charter authorizes it to do so, or to turn over the collection of its property taxes to the county trustee. Apparently, under those same provisions, if a municipality collects its own property taxes, tax due and delinquency dates are as prescribed by the charter; if the county trustee collects them, the tax due date is the first Monday in October, and the delinquency date is the following March 1.

²Charter and state law reference

Tennessee Code Annotated, § 67-5-2010(b) provides that if the county trustee collects the municipality's property taxes, a penalty of 1/2 of 1% and interest of 1% shall be added on the first day of March, following the tax due date and on the first day of each succeeding month.

³Charter and state law references

A municipality has the option of collecting delinquent property taxes any one of three ways:

- (1) Under the provisions of its charter for the collection of delinquent property taxes.
- (2) Under Tennessee Code Annotated, §§ 6-55-201--6-55-206.
- (3) By the county trustee under Tennessee Code Annotated, § 67-5-2005.

CHAPTER 3

PRIVILEGE TAXES

SECTION

5-301. Tax levied.

5-302. License required.

5-301. Tax levied. Except as otherwise specifically provided in this code, there is hereby levied on all vocations, occupations, and businesses declared by the general laws of the state to be privileges taxable by municipalities, an annual privilege tax in the maximum amount allowed by said state laws. The taxes provided for in the state's "Business Tax Act" (Tennessee Code Annotated, § 67-4-701, et seq.) are hereby expressly enacted, ordained, and levied on the businesses, business activities, vocations, and occupations carried on within the City of Ridgetop at the rates and in the manner prescribed by the said act, with the following exceptions, and amendments: Class 4 is amended to have the same base rate or minimum tax as classes 1, 2 and 3 of said act. Provided further, that the following fees shall be collected on each business license issued:

(1)	Recording fee	\$1.75
(2)	Collecting fee	\$1.75
(1977 Code, § 6-301)			

5-302. License required. No person shall exercise any such privilege within the city without a currently effective privilege license, which shall be issued by the recorder to each applicant therefor upon the applicant's compliance with all regulatory provisions in this code and payment of the appropriate privilege tax. (1977 Code, § 6-302)

CHAPTER 4

PURCHASING REQUIREMENTS

SECTION

- 5-401. Public advertisement and competitive bidding.
- 5-402. Exemptions.
- 5-403. Approval of purchases.
- 5-404. Limits.
- 5-405. Petty cash.
- 5-406. Purchasing procedures.

5-401. Public advertisement and competitive bidding. Public advertising and competitive bidding shall be required for the purchase of all goods and services by the City of Ridgetop in the amount of a maximum of \$10,000.00 or more in accordance with Tennessee Code Annotated, § 6-56-306(a), unless otherwise exempted by applicable state or federal statutes. (Ord. #92-18, Jan. 1993, as replaced by Ord. #2003-101, May 2003)

5-402. Exemptions. The following items are expressly exempted from advertisement and bidding according to the Municipal Purchasing Act of 1983:

(1) Purchases costing less than ten thousand dollars (\$10,000.00); provided that this exemption shall not apply to purchases of like items which individually cost less than ten thousand dollars (\$10,000.00), but which are customarily purchased in lots of two (2) or more, if the total purchase price of such items would exceed ten thousand dollars (\$10,000.00) during any fiscal year;

(2) Purchase of any goods or services which may not be procured by competitive means because of the existence of a single source of supply or because of a proprietary product. A record of all such sole source or proprietary purchases shall be made by the person or body authorizing such purchases and shall specify the amount paid, the items purchased, and from whom the purchase was made. A report of such sole source or proprietary purchases shall be made as soon as possible to the municipal government body of the municipality and shall include all items of information as required for the record;

(3) Purchases or leases of any supplies, materials or equipment for immediate delivery in actual emergencies arising from unforeseen causes, including delays by contractors, delays in transportation, and unanticipated volume of work. A record of any such emergency purchase shall be made by the person or body authorizing such emergency purchases, and shall specify the amount paid, the items purchased, from whom the purchase was made and the nature of the emergency. A report of any emergency purchase shall be made as soon as possible to the municipal government body and the chief executive

officer of the municipality, and shall include all items of information as required in the record;

(4) Leases or lease-purchase agreements requiring total payments of less than ten thousand dollars (\$10,000.00) in each fiscal year the agreement is in effect, provided this exemption shall not apply to leases of like or related items which individually may be leased or lease-purchased with total payments of less than ten thousand dollars (\$10,000.00) in any fiscal year, but which are customarily leased or lease-purchased in numbers of two (2) or more, if the total lease or lease-purchase payments for such items under a single agreement would be ten thousand dollars (\$10,000.00) or more in any fiscal year;

(5) Purchases, leases, or lease-purchases of real property;

(6) Purchases, leases, or lease-purchases from any federal, state, or local governmental unit or agency of secondhand articles or equipment or other materials, supplies, commodities, and equipment; and

(7) Perishable commodities which are purchased in the open market. A record of all such purchases shall be made by the person or body authorizing such purchases and shall specify the amount paid, the items purchased, and from whom the purchase was made. A report of such purchases shall be made, at least monthly, to the governing body and shall include all items of information as required in the record. Fuel and fuel products may be purchased on the open market without public advertisement, but shall whenever possible be based on at least three (3) competitive bids. Fuel and fuel products may be purchased from the Department of General Services's contract where available. (Ord. #92-18, Jan. 1993, as amended by Ord. #2003-101, May 2003)

5-403. Approval of purchases. The purchase of all materials, supplies, equipment and services, purchased under the authority of this chapter shall, unless otherwise provided by law, be purchased in accordance with the following requirements:

(1) Department heads shall have the authority to approve purchases and short-term leases of thirty (30) days or less of no more than one thousand dollars (\$1,000.00) for their respective departments for a single item. These purchases and short-term leases of one thousand dollars (\$1,000.00) or less shall not require public advertisement but whenever possible shall be based on three (3) quotes;

(2) The mayor or board of aldermen who are designated commissioners of department shall have the authority to approve purchases, leases, and lease-purchases of not more than five thousand dollars (\$5,000.00) for their respective departments for a single item and purchases, leases, of five thousand dollars (\$5,000.00) or less shall not require any public advertisement but whenever possible shall be based on three quotes;

(3) Board of alderman who are designated commissioners of departments shall have the authority to approve purchases, leases, and

lease-purchases of not more than ten thousand dollars (\$10,000.00) in actual emergencies as designated under § 5-402(3).

(4) The board of mayor and aldermen, shall have the authority to approve purchases, lease, and lease-purchases of more than five thousand dollars (\$5,000.00) for the City of Ridgetop. Purchases, leases, and lease purchases of more than five thousand dollars (\$5,000.00) and less than then ten thousand dollars (\$10,000.00) for any single item shall be made in the open market without public advertisement, but shall, whenever possible, be based upon at least three (3) competitive quotes.

(5) The board of mayor and aldermen, shall have the authority to approve purchases, leases, and lease-purchases of more than ten thousand dollars (\$10,000.00) for the City of Ridgetop when goods and services are publicly advertised and competitive bidding has been established.

(6) The mayor shall have the authority to approve purchases, leases, and lease-purchases of any amount in actual emergencies as designated under § 5-402(3). (Ord. #92-18, Jan. 1993, as amended by Ord. #2003-101, May 2003, and replaced by Ord. #2022-101, April 2022 *Ch5_12-19-23*)

5-404. Limits. All purchases made from funds subject to the authority of this chapter shall be made within the limits of the approved budget, when required, and the appropriations, when required, for the department, office or agency for which the purchase is made. (Ord. #92-18, Jan. 1993)

5-405. Petty cash. The city recorder shall be responsible for the establishment of a petty cash fund for items that cost \$25 or less, procedures for replacement of funds and distribution of funds. Where possible, receipts for monies shall be submitted to the city recorder within 5 working days of usage in order to receive reimbursement. (Ord. #92-18, Jan. 1993)

5-406. Purchasing procedures. The city recorder shall be responsible for the implementation of uniform purchasing procedures established in accordance with this chapter. (Ord. #92-18, Jan. 1993)