

TITLE 5

MUNICIPAL FINANCE AND TAXATION¹

CHAPTER

1. PROPERTY TAXES.
2. PRIVILEGE TAXES.
3. WHOLESALE BEER TAX.
4. LOCAL SALES TAX.
5. PURCHASING AND PROCUREMENT.

CHAPTER 1

PROPERTY TAXES²

SECTION

- 5-101. When due and payable.
 5-102. When delinquent--penalty and interest.

5-101. When due and payable.³ The assessed taxes on all real estate, personalty, or mixed property and all damages and costs accruing thereon levied by the City of Camden hereunder shall constitute a first lien upon such property from the tenth of January of each and every year, for the taxes for that year and shall so remain until the taxes, penalties, interest and cost are paid, whether a bill be filed to collect the same or not. (1972 Code, § 6-101)

¹Charter references

Delinquent taxes: § 17.

Liability of recorder and marshal for taxes: § 18.

²Municipal reference

Board of city tax equalization: title 4.

Tax assessor: title 2.

³State 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.

5-102. When delinquent--penalty and interest.¹ All municipal taxes shall be due and payable on the first Monday in October of each year. Such tax shall bear interest and in addition a penalty of one half of one percent (1/2%) from the first day of March following the first Monday in October in the same manner now provided for collection of delinquent state and county taxes.

The recorder with the advice and consent of the city attorney, shall have authority to institute and prosecute proceedings for the collection of delinquent municipal taxes. Such authority shall be equivalent to the law for collection of delinquent state and county taxes. General laws relating to the collection of delinquent state and county taxes, and general laws relating to the collection of delinquent municipal taxes are hereby adopted and made a part of this chapter, the same as if copied herein at length.² (1972 Code, § 6-102)

¹Charter 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.

²Charter 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 2**PRIVILEGE TAXES****SECTION**

5-201. Tax levied.

5-202. License required.

5-201. Tax levied. The taxes provided in Public Acts 1971, ch. 387, and any amendments thereto, known as the "Business Tax Act" are hereby enacted, ordained and levied on the business, business activities, vocation or occupations doing business or exercising a taxable privilege, as provided by said act in the City of Camden at the rate and in the manner prescribed by said act with the exception of the minimum payment tax for exterminators or contractors other than public road contractors. The minimum tax for exterminators and contractors other than public road contractors will be fifteen dollars (\$15.00) per annum. The proceeds of the privilege tax herein levied shall accrue to the general fund of the city. (1972 Code, § 6-201)

5-202. 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. (1972 Code, § 6-202)

CHAPTER 3**WHOLESALE BEER TAX****SECTION**

5-301. To be collected.

5-301. To be collected. The recorder is hereby directed to take appropriate action to assure payment to the city of the wholesale beer tax levied by the "Wholesale Beer Tax Act," as set out in Tennessee Code Annotated, title 57, chapter 6.¹ (1972 Code, § 6-301)

¹State law reference

Tennessee Code Annotated, title 57, chapter 6 provides for a tax of 17% on the sale of beer at wholesale. Every wholesaler is required to remit to each municipality the amount of the net tax on beer wholesale sales to retailers and other persons within the corporate limits of the municipality.

CHAPTER 4

LOCAL SALES TAX

SECTION

5-401. Authorization of tax.

5-402. Collection of tax.

5-403. Suits for illegally collected tax.

5-401. Authorization of tax. There is hereby levied by and for the municipality of Camden, Tennessee a tax in the same manner and on the same privileges subject to the Retailers Sales Tax Act, Tennessee Code Annotated, title 67, ch. 30, as the same may be amended, which are exercised in Camden, Tennessee. The tax is levied on all such privileges at a rate of "one-sixth" (1/6) the rate levied in the Retailers Sales Act, Tennessee Code Annotated, title 67, ch. 38, provided the tax shall not exceed two and one half (2 1/2) dollars on the sale or use of any single article of personal property and there is excepted from the tax levied by this chapter the sale, purchase, use consumption or distribution of electric power or energy, natural or artificial gas, coal or fuel oil. Penalty and interest for delinquency shall be the same as provided in Tennessee Code Annotated, § 67-30-26. (1972 Code, § 6-501)

5-402. Collection of tax.¹ It having been determined by the Department of Revenue of the State of Tennessee that it is feasible for this tax to be collected by that department, said determination being evidenced by Local Option Sales and Use Tax Rules and Regulations theretofore promulgated to the department of revenue, the department shall collect such tax concurrently with the collection of the state tax in the same manner as the state tax is collected in accordance with rules and regulations promulgated by said department. The recorder is authorized to contract with the department of revenue for the collection of the tax by the department, and to provide in such contract that the department may deduct from the tax collected a reasonable amount or percentage covering expenses of the administration and collecting of said tax. (1972 Code, § 6-502)

5-403. Suit for illegally collected tax. In the event said tax is collected by the department of revenue, suits for the recovery of any taxes illegally assessed or collected shall be brought against the Mayor of the City of Camden. (1972 Code, § 6-503)

¹Municipal code reference
General accountant: § 1-302.

CHAPTER 5

PURCHASING AND PROCUREMENT

SECTION

- 5-501. Purpose.
- 5-502. Definitions.
- 5-503. General provisions.
- 5-504. Sole source procurement.
- 5-505. Emergency procurement.
- 5-506. Real property procurement.
- 5-507. Electricity, natural gas and telephone services.
- 5-508. Fuel (gasoline and diesel) procurement.
- 5-509. Professional services contracts.
- 5-510. Insurance contracts.
- 5-511. Intergovernmental purchasing.
- 5-512. Contractual services from non-profit groups.
- 5-513. Purchases of less than \$1,000.00.
- 5-514. Purchases of less than \$2,500.00 but over \$1,000.00.
- 5-515. Purchases of less than \$10,000.00 but over \$2,500.00.
- 5-516. Purchases of more than \$10,000.00.
- 5-517. Limitations and penalties.

5-501. Purpose. This regulation will implement the standard operating procedure for the orderly, timely and responsible purchase and procurement of supplies, materials, and equipment for the activities of the city to insure the proper use of the public funds of the city as authorized by Tennessee Code Annotated, which is entitled the "Municipal Purchasing Law of 1983." (Ord. #MPW-10, June 1992)

5-502. Definitions. For the purposes of this regulation, the following definitions shall apply:

(1) "Purchasing agent." The person designated by the mayor as responsible for the implementation of this regulation, and who shall exercise supervision over all purchasing and procurement of all supplies, materials, equipment and/or services, as well as property control and inventory for supplies, materials, equipment or services for the City of Camden, or, failing such designation, the mayor him/herself.

(2) "Purchase." The act of procuring supplies, materials, equipment and/or services in exchange for money where title will vest in the city.

(3) "Lease." The act of procuring the use of supplies, materials, equipment and/or services in exchange for a periodic payment of money where title will not vest in the city.

(4) "Lease/purchase." The act of procuring the use and ownership of supplies, materials, equipment and/or services by the means of periodic payments of money, where title will vest in the town at a pre-agreed point in time, when certain monetary conditions have been met.

(5) "Request for quotation." The form prescribed by the purchasing agent to invite competitive bids from prospective suppliers for supplies, materials, equipment or services (same as invitation to bid), or the act of soliciting a quotation.

(6) "Purchase order." The form prescribed in certain instances by the purchasing agent for the procurement, lease or lease/purchase of supplies, materials, equipment or services.

(7) "Contract." A formal, written agreement between the City of Camden and the provider of supplies, materials, equipment or services to the city.

(8) "Competitive bidding." The process of obtaining price quotations from various sources for required supplies, materials, equipment or services by use of standardized specifications and invitations to submit quotations for same.

(9) "Invitation to bid." The procedure of submitting request for quotations to various sources for the proposed procurement of supplies, materials, equipment or services. (Same as invitation to submit quotation.)

(10) "Public advertisement." The act of placing an advertisement in the city's official newspaper, or other media as may be required, announcing the intent of the city to purchase supplies, materials, equipment or services, and inviting public participation by submission of competitive bids. (Ord. #MPW-10, June 1992)

5-503. General provisions. (1) The mayor shall be responsible for controlling the expenditures of the various agencies of the city government to accomplish maximum efficiency and economy.

(2) The recorder/director of finance shall be designated as the Purchasing Agent of the City of Camden, under the supervision of the mayor, who shall, in the absence of the purchasing agent, act in that capacity.

(3) The purchasing agent shall be responsible for the implementation and maintenance of the city's purchasing and procurement program, and shall prescribe such forms as may be required for administration of the program.

(4) The office of the director of finance shall be designated as the purchasing office of the city.

(5) Except as set forth hereinbelow, all proposed purchases or procurements shall be with the prior review of the purchasing agent to insure that all such actions are within the budgetary limitations of the activity concerned and that funds are available to make payment for same.

(6) Each department supervisor is designated as the person responsible for the purchasing and procurement activities of his or her respective department and for coordination with the city's purchasing agent.

(7) No funds shall be obligated by any official or employee of the city except those herein designated. (Ord. #MPW-10, June 1992)

5-504. Sole source procurement. Any goods or services which may not be procured by competitive means because of the existence of a single source or because of a proprietary product shall be exempt from the competitive bidding process; however, the procurement of such goods or services will be with the prior written approval of the mayor. Further, a record of all such purchases shall be made by the purchasing agent which shall contain a list of those items so procured, the prices paid, the source from which procured, and the justification for the sole source procurement. The data in this report shall be furnished the board at its next subsequent meeting.

Where a department of the city government has established a particular model/type of equipment for a specified application, subsequent additions to that system or parts required for maintenance and repair thereto, shall be classified as sole source procurement to insure that the integrity of the system is maintained. (Ord. #MPW-10, June 1992)

5-505. Emergency procurement. Competitive bidding procedures may be waived for 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; however, the emergency procurements of such items will be with the prior written approval of the mayor. A record of all such purchases shall be made by the purchasing agent which shall contain a list of the items so procured, the prices paid, the source(s) from which procured, and the justification for the emergency procurement. The data contained in this report shall be furnished the board at its next subsequent regular meeting. (Ord. #MPW-10, June 1992)

5-506. Real property procurement. Purchases, leases or lease-purchase of real property are exempt from the competitive bidding process. The price or consideration for such procurements shall be negotiated subject to the final approval of the board. (Ord. #MPW-10, June 1992)

5-507. Electricity, natural gas and telephone services. All electrical, natural gas and telephone and related services provided the city by regulated industries are exempt from the competitive bidding procedure. (Ord. #MPW-10, June 1992)

5-508. Fuel (gasoline and diesel) procurement. Procurement of regular, leaded gasoline shall be by the competitive bidding process. The procurement of high-test, unleaded gasoline and diesel fuels shall be exempt from the bidding process until such time as the city obtains its own bulk fuel

storage tanks for these fuels, or the local suppliers agree to furnish 1,000 gallon storage facilities when they are the successful bidder. (Ord. #MPW-10, June 1992)

5-509. Professional services contracts. Contracts for legal services, fiscal agents, auditors, financial advisors or advisory services, educational consultants, engineer consultants, and similar services by professional persons or groups of high ethical standards, shall not be based upon competitive bids, but shall be awarded by the board on the basis of recognized competence and integrity through review of past performance and interviews with prospective contractees, subject to a review of all such contracts by the city's attorney. (Ord. #MPW-10, June 1992)

5-510. Insurance contracts. (1) Insurance for various entities of the city's government which is procured through a plan authorized and approved by any organization of governmental entities representing cities, towns and counties, such as, but not limited to, the Tennessee Municipal League Insurance Pool, may be contracted for without public advertising, competitive bidding, or invitation to submit quotations. All contracts awarded for such insurance shall be subject to approval of the board.

(2) Insurance for various entities of the city's government which are procured through private or for-profit entities, such as commercial insurance companies, for casualty, liability, inland marine, property, life and health and accident insurances, will be obtained by public advertisement and/or invitations to submit proposals. All contracts awarded for such insurance shall be subject to approval of the board.

Insurance policies thus contracted will usually be for a term of three (3) years, with annual premium adjustments as approved by the board. (Ord. #MPW-10, June 1992)

5-511. Intergovernmental purchasing. (1) Purchases by the city of supplies, materials, equipment and/or services for other local governmental entities may be made upon request from said entities; however, the procurement shall be made on the same terms and under the same rules and regulations as regular purchases by the city. The cost of all such purchases shall be borne by the requesting entity.

(2) Purchases by the city of supplies, materials, equipment and/or services from or through any centralized purchasing or procurement agency of any local governmental entity, or of the state or federal government shall be without public advertising or competitive bidding. (Ord. #MPW-10, June 1992)

5-512. Contractual services from non-profit groups. Contracts for supplies, materials and/or services from non-profit corporations, such as, but not limited to, the local government data processing corporations, whose purpose,

or one of whose purposes, is to provide goods or services specifically to municipalities shall be exempt from public advertising or competitive bidding. (Ord. #MPW-10, June 1992)

5-513. Purchases of less than \$1,000.00. Supplies and materials, the total cost of which does not exceed \$1,000.00, and which are required for day-to-day operations, maintenance and repairs in and by the various departments and agencies of the city may be purchased or procured directly from those firms or businesses where the city maintains accounts by the department or activity supervisor concerned so long as such purchases or procurements are within the budget limitations of the department or activity concerned. (Ord. #MPW-10, June 1992, as amended by Ord. #98-12, Nov. 1998)

5-514. Purchases of less than \$2,500.00 but over \$1,000.00. Purchase, procurement, lease and/or lease-purchase agreements for supplies, materials, equipment and/or services which will cost in the aggregate more than \$1,000.00 but less than \$2,500.00 shall be exempt from public advertising and/or formal competitive bidding.

(1) Purchase or procurement of such items shall be made through the use of telephonic or personal request for quotation of price for same, utilizing the form prescribed by the purchasing agent. Such purchases or procurements may be made by the supervisor of the department of activity concerned, subject to a review of the quotations and determination of budget limitations, if any, and the written approval of the mayor.

(2) Upon approval of the quotation, the purchasing agent shall issue a purchase order for same. (Ord. #MPW-10, June 1992, as amended by Ord. #98-12, Nov. 1998)

5-515. Purchases of less than \$10,000.00, but over \$2,500.00. Purchases, procurement, lease and/or lease-purchase agreements for supplies, materials, equipment and/or services consisting of less than \$10,000.00 but more than \$2,500.00 shall be by competitive bids from at least three (3) different sources where possible; however, public advertisement shall not be required. This exemption shall not apply to purchases of like items which individually cost less than \$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 \$10,000.00 during any fiscal year.

(1) The supervisor of the department of activity requiring the purchase or procurement of such items shall submit details of the supplies, materials, equipment and/or services to be procured, to include technical specifications where required, to the mayor for his/her approval. Upon the approval of the mayor and subject to budget allocations and availability of funds, the purchasing agent shall issue the appropriate invitations to submit bids or quotations, which shall contain all relevant data as to the city's bidding process and reservations

of the right to accept or reject bids, including specific data as to the bid opening time and procedure.

(2) All qualified bids or quotations received shall, at the specified time and place, be publicly opened and the results read aloud. Upon acceptance and approval of a bid by the mayor, the purchasing agent shall issue the appropriate purchase orders. (Ord. #MPW-10, June 1992, as amended by Ord. #98-12, Nov. 1998, modified)

5-516. Purchases of more than \$10,000.00. The purchase or procurement of supplies, materials, equipment, and/or services which individually cost more than \$10,000.00, or, if when normally procured in lots of two (2) or more during any fiscal year total more than \$10,000.00, shall be subject to competitive bidding and public advertisement.

(1) The supervisor of the department or activity requiring the purchase or procurement of such items shall submit details of the supplies, materials, equipment and/or services to be obtained, to include technical specifications where necessary, to the mayor for his/her approval. Upon approval by the mayor, and subject to budget allocations and availability of funds, the mayor shall refer the request for such purchase or procurement to the board for their review and approval.

(2) Upon approval of the proposed purchase or procurement by the board, the purchasing agent shall issue the appropriate invitations to submit bids or quotations and place the required public advertisement in the city's official newspaper, and such other media as may be appropriate, which shall contain all relevant data as to the city's bidding process and reservations as to acceptance or rejection of bids, including specific information as to the bid opening time and procedure.

(3) All qualified bids, quotations and/or proposals (here-in-after referred to collectively as "bids") received in response to an advertisement and/or invitation to submit bids, shall at the time and place as indicated in the public notice and/or solicitation of bids, which shall normally be during regular office hours and in the board room of the Camden City Hall, be publicly opened by the mayor or his/her designated representative and the results read aloud. Thereupon, the official conducting the bid opening shall make a statement declaring the apparent low bidder, and informing all persons present that all duly qualified bids will be accepted for tabulation, review of all bid documents for compliance with advertised specifications, and referral to the city board at their next subsequent regular meeting for their review, approval or disapproval, and the authorization of any procurement contracts. A minimum of three (3) officials of the city shall be present at all public bid openings. The appropriate official of the city shall record the minutes of all such public bid openings, which shall be filed with the appropriate procurement documentation. (Ord. #MPW-10, June 1992, as amended by Ord. #98-12, Nov. 1998, modified)

5-517. Limitations and penalties. (1) All purchases made from funds of the city shall be made within the limits of the approved budgets and within the appropriation of the department, agency or activity for which the purchase is made.

(2) No obligation of funds of the city shall be made except in compliance with the provisions of this chapter, or of the city's charter.

(3) All formal contract documents entered into by the city shall be reviewed by the city attorney prior to final execution.

(4) Any contract or agreement made in violation of the provisions of this chapter, the city charter, or other ordinances of the city shall be void and no expenditure shall be made thereunder. Every officer and employee who shall knowingly make or participate in any such contract or agreement, or authorize or make any expenditure thereunder may be liable to the city for the full amount. (Ord. #MPW-10, June 1992)