

## General Administration

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Dear Reader:

The following document was created from the MTAS website ([mtas.tennessee.edu](https://www.mtas.tennessee.edu)). This website is maintained daily by MTAS staff and seeks to represent the most current information regarding issues relative to Tennessee municipal government.

We hope this information will be useful to you; reference to it will assist you with many of the questions that will arise in your tenure with municipal government. However, the *Tennessee Code Annotated* and other relevant laws or regulations should always be consulted before any action is taken based upon the contents of this document.

Please feel free to contact us if you have questions or comments regarding this information or any other MTAS website material.

Sincerely,

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Reference Number: MTAS-689

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<b>I-1. Affidavits of Exemption from Business Licenses under T.C.A § 67-4 – 712.</b> Affidavits of blind persons or disabled former members of the armed services made for the purpose of obtaining free ad valorem or privilege license, showing duration of service, nature of disability, if any, amounts of affidavit, signature of affiant, and clerk's acknowledgment.	If license is granted, retain until expiration of license plus 10 years; if license not granted, retain 1 year.	Keep for audit purposes. T.C.A. § 67—4-712 (a).
<b>I-2. Alcoholic Beverage Commission Applications.</b>	If application granted, retain for life of permit. If application denied, retain for 1 year past final action.	Retain successful applications for audit purposes. Retain denied applications to have available in case of appeal(s) under T.C.A. § 27-9-101 <i>et seq.</i>
<b>I-3. Bankruptcy, notice of.</b>	Retain 11 years.	Based on statute of limitations for collection of property taxes, plus 1 year. T.C.A. § 67-5-1806.
<b>I-4. Beer Applications and Permits.</b> The application and permits issued to persons selling legalized beverages (beer), Showing name of licensee, business address, date issued, permit number, and signature of beer board approving the issuance of the license.	Retain 5 years after the permit is terminated.	Keep for audit purposes.
<b>I-5. Beer Tax Reports and Receipts.</b> Reports from wholesale beer distributors showing brands of beer, number of units sold, unit prices, and tax remitted. Receipts from money submitted should also be in file.	Retain 3 year.	Source documents must be kept by wholesalers and retailers for 2 years T.C.A. § 57-5-206(b).
<b>I-6. Business and Privilege Licenses.</b> Original applications and licenses to engage in business or for exercising taxable privileges, showing name of applicant, kind of license, duration of license, date filed, and signature of applicant; fee/tax paid; and license number.	Retain 5 years after license has expired.	Keep for audit purposes.

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<b>I-6A. Business tax returns.</b> Returns filed under the Business Tax Act under T.C.A. § 67-4-715.	Retain 7 years after January of the year in which the taxes accrue.	T.C.A. § 67-1-1501(a); Westinghouse Electric Corp. v. King 678 S.W. 2nd 19 (Tenn. 1984).
<b>I-7. Contracts.</b> Contracts between the city and other contractors.	Retain 7 years after termination of contract.	Based on statute of limitations for breach of contract plus 1 year. T.C.A. § 28-3-109.
<b>I-8. Contracts, Construction.</b> Contracts between the departments and contractors for construction work, showing name contractor, date, building specifications, and amount of consideration.	Retain 7 years or until expiration of guarantees. If no guarantees are involved, retain 7 years after completion of contract.	Based on statute of limitations for actions for breach of contract plus 1 year. T.C.A. § 28-3-109.
<b>I-9. Correspondence Files.</b> Correspondence with citizens and government officials regarding policy and procedures or program administration.	Generally retain based on subject matter or 5 years, whichever is longer, but appraise for continuing administrative usefulness or historical value. (See "E-mail" below.)	Maintain for reasonable period of time in case of continued action related to the correspondence.
<b>I-9A. E-mail.</b> [1] Spam and other e-mails that will not be relevant to any litigation. [2] E-mails relative to contracts. [3] E-mails that might be relevant to tort litigation. [4] E-mails relative to personnel status of employees. [5] Other e-mails.	[1] May be discarded immediately. [2] Retain seven years or until expiration of guarantee. [3] Retain 2 years. [4] Retain 5 years. [5] Retain based upon subject matter (see other provisions in retention schedule) or 5 years, whichever is longer, but appraise for	[1] No requirement for retention. [2] Based on statute of limitations for breach of contract plus 1 year. T.C.A. § 28-3-109. [3] Based on statute of limitation for tort action plus 1 year.

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	continuing usefulness or historical value.	[4] Various statutes of limitations and requirements in differing statutes. [5] Maintain for reasonable time in case of continued action.
<b>I-10. Deeds for City Properties, Copies of.</b> Copies of warranty deeds.	Destroy when obsolete or when purpose of retention has been served.	Working papers as defined in T.C.A. § 10-7-301(14). Filed permanently with the county register of deeds.
<b>I-11. Facility Inspection and Maintenance Records.</b> Records documenting inspection of and repairs or improvements made to municipal buildings and structures.	Retain 5 years.	Possible significance in tort cases.
<b>I-12. Fixed Assets.</b> Comprehensive inventory of all fixed assets.	Retain 5 years after disposal of property.	Audit standard authorized by Tenn. Admin. Rule 0520-1-2-.13.
<b>I-13. General (Nonfinancial) Monthly and Quarterly Reports to City Officials.</b> Reports from all departments, boards, or agencies of the city. These reports should be recorded in the minutes of the legislative body.	These are working papers to keep until the information is incorporated into the minutes or an annual report. If not included in the minutes or no annual report is prepared, retain monthly and quarterly reports for 2 years.	Useful in preparing budgets in following years.
<b>I-14. Insurance Policies.</b> Insurance policies of all types insuring the city and all its departments for various risks of loss, showing name of company, name of agent issuing policy, date of policy, date of expiration, amount of premium, amount of coverage, and description of any property covered.	Retain 10 years after expiration or replacement of policy.	Based on statute of limitations for breach of contract actions plus 1 year. T.C.A. § 28-3-109.
<b>I-15. Leases (Real Property).</b> Copies of leases or rental contracts on real estate, showing names of lessor and	Permanent record.	Keep to track property rights.

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lessee, description of property, terms of the contract, date of execution, and signatures of parties involved.		Note: If lease is more than 3 years, eligible for recordation under T.C.A. § 66-24-101(a) (15).
<b>I-16. Leases and Agreements for Use of Equipment.</b>	Retain 7 years after completion or expiration of lease or agreement.	Based on statute of limitations for breach of contract actions plus 1 year. T.C.A. § 28-3-109.
<b>I-17. Legal Opinions and Court Decisions.</b> Records, including correspondence, stating or referencing court decision or legal opinions dealing with or affecting the department.	Retain 20 years or until record no longer relevant, whichever is later.	Court opinions can have continuing impact on operations.
<b>I-18. Liens, Tax.</b> Record of tax lien notices filed against property owners, including violators of the internal revenue law, showing name and address of property owner, date of filing, amount of assessment and penalty, and discharge notice date.	Permanent record.	Impractical to ascertain expiration of lien to know when record could be destroyed.
<b>I-19. Minutes of City Legislative Body.</b> Recorded minutes of the meetings of the municipal legislative body, including special call meetings. All recorded actions of the legislative body, including records of members present and their votes on matters of business presented, nature and results of votes; various items such as fixing the tax levy, adopting a budget, receiving financial reports from city officials and departments, appropriating funds for the maintenance and operations of city offices and institutions, and other items of a similar nature.	Permanent record.	City charter requirement, T.C.A. §§ 8-44-101, et seq. (Open Meetings law). Keep also for historical purposes.
<b>I-20. (Rough) Minutes and Roll Calls of City Legislative Body.</b> Notes taken at meeting of city legislative body and used to compile minutes. Includes audio tapes.	Retain until minutes are approved by city legislative body.	Working papers as defined in T.C.A. § 10-7-301(14).
<b>1-21. Minutes of Other Boards.</b> Minutes of the meetings of other boards, such as a planning commission, utility board, beer board, etc., including members present, votes, and actions taken.	Permanent record. NOTE: Rough minutes are working papers and may be destroyed after final version of minutes is approved.	Actions recorded in minutes are effective until superseded/ amended or rescinded/ repealed. Also keep for

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		historical purposes.
<b>I-22. Motor Vehicle City Stickers.</b> Copies of applications for city stickers for motor vehicles; evidence of compliance.	Retain 5 years.	Keep for audit purposes.
<b>I-22A. Mutual Aid Documents.</b> Declarations of a state of emergency, written requests for assistance, invoices for reimbursement.	Retain 2 years.	Keep for possible litigation purposes.
<b>I-23. Official Bonds and Oaths of City Officials.</b> Loose and bound original and recorded copies of the bonds and oaths of all officials required to file official bonds and/or oaths with the city recorder. Originals of many of the official bonds of city officials and constables have been deposited with the state comptroller of the treasury since 1957. Bonds generally show name of principal and sureties, amount of bond, date executed, condition of the obligation, date acknowledged and approved, signatures of principals, sureties and attorney-in-fact for bonding company, if any.	Retain 10 years after term covered by bond or oath.	Based on statute of limitations for actions on public officers' bonds. T.C.A. § 28-3-110.
<b>I-24. Ordinances.</b> Code of Ordinances and ordinance books, copies of amended and repealed ordinances; resolutions.	Permanent record.	Charter requirements. Ordinances must be retained to provide evidence of their existence and proof of their lawful enactment. Superseded ordinances have historical and legal value.
<b>I-25. Pawnbroker's Licenses, Applications for and related Records.</b> Record of application for pawnbroker's license, related affidavits and certificates, copies of bonds or insurance policies.	Retain 5 years after license is terminated.	Permits do not expire after a certain term. Keep record for audit purposes and to maintain accurate record of licensed pawnbrokers.
<b>I-26. Powers of Attorney, Record of.</b> Record of legal appointment of persons to act as agents for individuals or estates in such matters as signing documents, giving receipts, collecting and distributing funds, paying utility deposits and bills; shows name of appointee and person making appointment, date of appointment, and contains requirements of notarization.	Retain permanently or until power of attorney is formally revoked.	Keep for audit purposes.

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<b>I-27. Privilege Licenses – See Business and Privilege Licenses.</b>		
<b>I-28. Reports of City Officials, Departments, Commissions, and Committees.</b> Reports submitted to the municipal legislative body containing date on finances, work performed, plans, personnel, etc. Some reports submitted annually at the end of the fiscal year. These reports should be recorded in the municipal legislative body's minutes.	If reports are not recorded in legislative body's minutes, preserve permanently one copy of annual reports, or if there is no annual report, preserve permanently one copy of all monthly, quarterly, or semiannual reports. In	The city recorder's office serves as a repository of these reports, which constitute a historical record of the operation of the various offices, departments, and committees of the city.
<b>I-29. Settlement Agreements.</b> Instruments evidencing the settlement of claims against the city.	Retain 7 years after the terms of the agreement have been met.	Based on statute of limitations for breach of contract plus 1 year. T.C.A. § 28-3-109.

*DISCLAIMER: The letters and publications written by the MTAS consultants were written based upon the law at the time and/or a specific sets of facts. The laws referenced in the letters and publications may have changed and/or the technical advice provided may not be applicable to your city or circumstances. Always consult with your city attorney or an MTAS consultant before taking any action based on information contained in this website.*

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