HOUSE BILL 2551

By Littleton

AN ACT to amend Chapter 121 of the Private Acts of 2004; as amended by Chapter 108 of the Private Acts of 2008; and any other acts amendatory thereto, relative to the charter of the town of Ashland City.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Chapter 121 of the Private Acts of 2004, as amended by Chapter 108 of the Private Acts of 2008, and any other amendatory acts thereto, which constitutes the charter of the Town of Ashland City, is amended by deleting the language in its entirety and by substituting instead the following:

Section 1. The inhabitants residing within the corporate limits and boundaries hereinafter referred to, defined and established, as the Town of Ashland City, Tennessee, shall be, and shall continue to be, a body politic and corporate under the name and style of "Ashland City, Tennessee," and this Act shall constitute the complete Charter of the Town. The Town of Ashland City shall have perpetual succession, may sue and be sued, plead and be impleaded, in all Courts of law and equity, and in all actions whatsoever, and may have and use a common seal and change it at its pleasure.

Section 2. DEFINITIONS.

(a) As used in this Charter the following words shall have the following meanings:

(1) "At large" means the entire City, as distinguished from representation by wards or other districts;

(2) "City" means the Town of Ashland City, Tennessee;



(3) "Code" means any publication or compilation of rules, regulations, specifications, standards, limitations, or requirements relating to any aspect of municipal affairs prepared or recommended by an agency of the federal or state government, or by a trade association or other organization generally recognized as an authority in its field of activity;

(4) "Council" and "City Council" means the legislative body of the City, which shall be composed of the Mayor and six (6) Councilmen elected as provided in this Charter;

(5) "Councilman" and "Member of Council" means a person elected to the office of Councilman as provided in this Charter, and includes the "Mayor";

(6) "Elector" means a qualified voter residing within the City, or a qualified voter owning real estate in his own name in the City but residing outside its limits, subject to the provisions of Tennessee Code Annotated, Section 2-2-107;

(7) "Nonpartisan" means without any designation of candidates as members or candidates of any state or national political party or organization; and

(8) "Qualified voter" means a person who is qualified to vote for members of the General Assembly of the State of Tennessee.

(b) The masculine includes the feminine, and the singular includes the plural and vice versa, except when the contrary intention is stated.

Section 3. The boundaries of the Town of Ashland City, Tennessee, shall be those fixed, defined, and established by Section 2 of Chapter 241 of the Private Acts of 1921, and all acts amendatory thereto; and all annexations made pursuant to the general law, and all boundaries existing on the effective date of this Act.

Section 4. The City shall be divided into three (3) wards. Any existing Act or ordinance dividing the City into three (3) wards shall continue in full force and effect until modified or changed as herein provided and authorized. The City Council may, from

HB2551 010413 -2time to time alter, modify or change the boundaries of existing wards, or designate new boundaries thereof, by duly enacted ordinances. The number of wards shall not be increased or decreased, nor shall the boundaries be changed within sixty (60) days preceding an election.

Section 5. CORPORATE POWERS. The City shall have the power:

(a) To assess property for taxation, and to levy and provide for the collection of taxes on all property subject to taxation;

(b) To levy and collect privilege taxes on businesses, privileges, occupations, trades, and professions, and to levy and collect any other kind of tax not prohibited to cities by the Constitution or by general law. Unless restricted or controlled by general law, a collection fee of one dollar (\$1.00) may be added to each such privilege tax;

(c) To levy and collect registration fees on motor vehicles operated within the City. Such registration fees may be graduated according to the tonnage capacities, weight, or horsepower of motor vehicles;

(d) To appropriate and borrow money as authorized in this Charter, and to authorize the expenditure of money for any municipal purpose;

(e) To acquire land and any improvements thereon, along with easements or limited property rights to such land, by purchase, gift, or condemnation, for public use, for present or future use by the City; to reserve industrial sites; to provide open spaces; to encourage the proper development of the community or for the general welfare of the community. Such acquisitions may be within or outside the City;

(f) To grant franchises or make contracts for public utilities and public services, not to exceed a period of twenty (20) years. Such franchises and contracts may provide for rates, fares, charges, regulations, standards and conditions of service, subject to regulation by the Tennessee Regulatory Authority or other state or federal agency having jurisdiction in such matters;

(g) To provide for the acquisition, construction, building, operation and maintenance of public ways, parks, public grounds, cemeteries, markets and market houses, public buildings, libraries, sewers, drains, sewage treatment plants, airports, hospitals, water works, docks, gas works, marinas, City forests, tree and shrub nurseries, heliports, terminals, parking garages and lots, industrial sites and buildings, charitable, educational, recreational, sporting, cultural, curative, corrective, detentional, penal, and medical institutions, agencies, and facilities and any other public improvements inside or outside the City, and to regulate the use thereof; and for such purposes property may be either acquired or taken under Tennessee Code Annotated, Sections 7-31-107 through 7-31-111 and Title 29, Chapters 16 and 17, or under other applicable laws;

 (h) To require property owners to repair and maintain sidewalks adjoining their lots or lands in a safe condition by removing of snow, debris, or other materials;

(i) To make regulations to secure the general health of the inhabitants and to prevent, abate, and remove nuisances, including, but not limited to, old or dilapidated buildings which are so out of repair as to be unsafe, unsanitary, or unsightly. The City shall have the power to abate and remove nuisances at the expense of the owner or owners, with the expense, including fines, penalties, and interest, to be secured by lien upon the property for which the expenditure is made. The City shall also have the power to maintain control of animals by providing for the sale, gift, or humane disposition of such animals as provided by state law;

(j) To prescribe standards of health and sanitation, and to provide for the enforcement of such standards;

(k) To provide for the collection and disposal of garbage, rubbish, and refuse. Charges may be imposed to cover the costs of such service which, if unpaid, shall be collectible in the same manner as taxes or other debts. The City

- 4 -

Council may prescribe penalties and interest for such delinquent payments by ordinance;

(I) To define, regulate, and prohibit any act, practice, conduct, or use of property that would be detrimental, or likely to be detrimental, to the health, morals, safety, security, peace, or general welfare of inhabitants of the City;

(m) To establish minimum standards for and to regulate building construction and repair, electrical wiring and equipment, gas installations and equipment, fixed mechanical equipment, plumbing, and housing, for the health, sanitation, cleanliness, safety, and comfort of the inhabitants of the City, and to provide for the enforcement of such standards;

(n) To provide regulations establishing standards of weights and measures and to enforce compliance with such standards, in accordance with state law;

(o) To regulate and license vehicles operated for hire in the City, to limit the number of such vehicles, to license the operators thereof, to require public liability insurance on such vehicles, and to regulate and rent parking spaces in public ways for the use of such vehicles;

(p) To provide that the violation of any ordinance, rule, regulation, or order shall be punishable as set by state law;

(q) To plan for the orderly development of the community, including economic, physical, educational, and cultural aspects, and to institute programs to effectuate such plans;

(r) To require the owner, the owner's agent, or the occupant of any dilapidated or dangerous building or structure, after notice to be heard, to repair or remove such building or structure. The City shall also have the power to repair or remove such building or structure and charge the cost to the owner, agent, or occupant who fails to comply with orders to repair or remove the building or structure, and to make the cost of repair or removal a lien against the property which may be added to and collected as property taxes;

- 5 -

(s) To exercise the same powers in subsection (r) by requiring the owner, owner's agent, or the occupant of any lot or parcel of land within the boundaries of Ashland City, after notice and an opportunity to be heard, to remove obnoxious weeds, refuse, rubbish, abandoned automobiles or other vehicles, junk, discarded equipment, furniture and materials, grass, bushes and leaves, which may be considered dangerous or detrimental to persons' health or safety, from any lot or parcel of land within the boundaries of the City; and to provide penalties for the violation of any ordinance relative thereto;

(t) To regulate the solicitation of moneys for any purpose or the solicitation of the subscription to papers or magazines of any kind, within the City, by non-residents of the City, not inconsistent with the state or federal Constitution, without first having obtained written approval as provided by ordinance, and to provide penalties for the violation of any ordinance relative thereto; and

(u) To exercise and have all other powers, functions, rights, privileges, and immunities granted by state law or necessary or desirable to promote or protect the safety, health, peace, security, good order, comfort, convenience, morals, and general welfare of the City and its inhabitants, and all implied powers necessary to carry into execution all powers granted in this Charter as fully and completely as if such powers were fully enumerated herein. No enumeration of particular powers in this Charter shall be held to be exclusive of others nor restrictive of general words and phrases granting powers, but shall be held to be in addition to such powers unless expressly prohibited to cities by the Constitution or state law.

Section 6. The City Council of the Town of Ashland City, shall have full power and authority to authorize the use of the Town's firefighting equipment and personnel outside the corporate limits of the Town to suppress or extinguish fires, and to aid in emergency situations, subject to such conditions and limitations as the City Council may determine.

- 6 -

Section 7. The City shall have the power and authority to acquire land, within or outside the corporate limits of the City for use as a plant, place, or site, for the dumping, placing, and/or disposal of garbage, rubbish, refuse, abandoned vehicles, and other such materials, and to regulate the use thereof; to provide by ordinance that such plant, place, or site, for the placing, dumping, and/or disposal of such materials referred to herein shall not be used by any person or persons, who are not bona fide residents of Cheatham County, Tennessee, or by any firm, or corporation not having its situs or principal place of business within Cheatham County, Tennessee, without first having obtained a written permit to so use the same and to pay such fee or charge for such privilege or use as the City Council may provide; to prohibit the use of such property and privileges by any person, firm, or corporation whose place of residence or principal place of business is outside Cheatham County, or outside the corporate limits of the City, as the City Council may determine; and to provide that any person, firm, or corporation violating any of the provisions of this ordinance shall be subject to such penalties as the City Council may determine.

Section 8. ELECTION OF MAYOR AND COUNCILMEN.

(a) On the first Saturday in December, 1999, a nonpartisan election shall be conducted by the county election commission pursuant to the election laws of this State, to elect a Mayor and six (6) Councilmen, including two (2) Councilmen from each of the three (3) wards of the Town, all by electors from the Town at large. Any elector who has been a resident of the Town for at least two (2) years may be qualified as a candidate by submitting a nominating petition to the county election commission in accordance with state law.

(b) The provisions of Tennessee Code Annotated, Section 2-5-101, et. seq. and 2-5-201, et. seq. shall govern the filing of a petition, the withdrawal of a candidate, and the placement of the candidate's name on the ballot.

(c) At the December, 1999, election the candidate for Mayor receiving the highest number of votes for the office shall be elected; and the two (2) candidates for Councilmen from each of the three (3) wards of the Town

- 7 -

receiving the highest number of votes for the office shall be elected to such office to serve such terms as provided in subsection (d). In the event of a tie vote for two (2) or more candidates for the office of Mayor, then the duly elected Councilmen, by a majority vote, shall elect one (1) of the candidates for Mayor, who shall serve until the next election. If more than two (2) candidates for the office of Councilman from any one (1) ward of the Town receive the same number of votes, resulting in a three-way tie vote or more for two (2) or more candidates for the office, then the duly elected Town Council members shall, by a majority vote, elect two (2) of the candidates for the office of Councilman to serve until the next election.

(d) At the election held in December, 1999, each elector shall be entitled to vote for six (6) candidates for Councilman, with two (2) Councilmen being elected from each ward. A Mayor shall also be elected at such time. The candidate for the office of Mayor and the three (3) Councilmanic positions from each ward receiving the highest number of votes shall be elected for terms of four (4) years. The three (3) candidates for the Councilmanic positions from each ward receiving the second highest number of votes shall be elected for terms of two (2) years. The Mayor and Councilmen elected in each regular Town election thereafter shall serve a term of four (4) years. Elections shall be held on the first Saturday in December in every odd-numbered year. At the election held in December, 2001, and every other odd-numbered year thereafter, one (1) Councilman shall be elected for each ward. At the election held in December, 2003, and every other odd-numbered year thereafter one (1) Councilman for each ward and the Mayor shall be elected. The terms of office of the Mayor and Councilmen shall begin at the first regularly scheduled meeting of the Council in January next following their election, and they shall serve for a term of four (4) years and until their successors are elected and qualified. All elections shall be conducted in conformity with the requirements of this Charter and the election laws of the State.

- 8 -

Section 9. RESTRICTIONS ON CANDIDATES AND THEIR SUPPORTERS.

The provisions of Tennessee Code Annotated, Sections 39-16-101 through 39-16-104 and Sections 39-16-401 through 39-16-402 shall apply to all candidates for offices under this Charter, elected officials, and public employees. Any person convicted pursuant to such statutes shall be ineligible to hold an office or position of employment in the City government for the period prescribed by law.

Section 10. CITY COUNCIL.

(a) The Mayor and six (6) Councilmen elected under this Charter shall compose the City Council, in which is vested all corporate, legislative, and other powers of the City, except as otherwise provided in this Charter.

(b) The salary of the Mayor and each Councilman shall be set by the City Council by ordinance. The salaries shall not be altered prior to the end of the term for which such public officer was selected. The Mayor and Councilmen shall also be reimbursed for any necessary actual expenses incurred in the conduct of their official duties but all such expenses shall be approved by a majority of the members of the City Council before any payment therefor is made.

(c) The Council shall meet regularly, at least once every month at a time and place designated by motion of the council. The Council shall meet in special session on written notice given by the Mayor, on his own initiative, or on written application to the Mayor by, at least three (3) Councilmen. Notice of such special sessions shall be given to all Councilmen at least twelve (12) hours in advance of the meeting. Only the business stated in the written call may be officially transacted at a special meeting. Informal meetings of the Council may be held for the purpose of receiving information, exchanging ideas, and conducting investigations; however, there shall be no official action taken by the Council in such meetings. The Council shall exercise its powers only in public meetings.

(d) A majority of the Council shall constitute a quorum. Except on procedural motions, voting shall be by roll call and the ayes and nays shall be

- 9 -

recorded in the journal. The Council may, by resolution, adopt rules and bylaws to govern the conduct of its business, including procedures and penalties for compelling the attendance of absent members. The Council may subpoena and examine witnesses, and order the production of books and papers.

Section 11. MAYOR AS PRESIDING OFFICER. The Mayor shall preside at meetings of the Council, and shall have a vote on all matters, but shall have no veto power. The Mayor shall be recognized as the ceremonial head of the City, shall be the officer to accept process against the City, and shall perform other duties imposed by this Charter and by ordinances not inconsistent with this Charter.

Section 12. VICE MAYOR. The Council, at the first regular meeting after the newly elected Councilmen have taken office following each biennial election, shall elect from its membership a Vice Mayor for a term of two (2) years. The Vice Mayor shall perform the duties of the Mayor during the Mayor's absence or inability to act, and shall complete any unexpired term in the office of Mayor, in which case a Councilman shall be selected by majority vote of the Council to serve the unexpired term of the Vice Mayor.

Section 13. VACANCY IN OFFICE OF MAYOR OR COUNCILMAN. A vacancy shall exist if the Mayor or a Councilman resigns, dies, moves his residence from the City, is convicted of malfeasance or misfeasance in office, a felony, a violation of this Charter or the election laws of the state, a crime involving moral turpitude, fails to attend any meetings of the Council for a period of ninety (90) consecutive days with no extenuating circumstances, or has been continuously disabled for a period of six (6) months so as to prevent him from discharging the duties of his office. The Council may, by resolution, declare a vacancy to exist for any of these reasons, and such finding shall be final. Any person convicted of malfeasance or misfeasance in office, a felony, or a crime involving moral turpitude shall be prohibited from holding office or employment with the City for a period of ten (10) years thereafter. The remaining Councilmen shall appoint a qualified person to fill a vacancy in the office of Councilman for the remainder of the unexpired term. At no time shall there be more than two (2) members of Council appointed to fill vacancies. If a vacancy occurs more than six (6) months prior to a regular election and

while two (2) appointed members are on the Council, a special election shall be held by the county election commission on the eighth Saturday following the occurrence of the vacancy, at which election a Councilman shall be elected to serve the unexpired term of the vacant office. The provisions in this Charter for regular elections shall govern special elections.

Section 14. RESTRICTIONS ON COUNCILMEN. The Council shall act in all matters as a body, and no member shall seek individually to influence the official acts of the Mayor or any other officer or employee of the City, or to direct or request the appointment of any person to, or his removal from, any office or position of employment, or to interfere in any way with the performance of duties by the Mayor or any other officer or employee. The Council shall deal with the various agencies, officers and employees of the City, except boards or commissions authorized by this Charter, solely through the Mayor and shall not give orders to any subordinates of the Mayor, either publicly or privately. Nothing herein contained shall prevent the Council from conducting such inquiries into the operation of the City government and the conduct of the City's affairs as it may deem necessary. The office of any Councilman violating any provision of this section shall immediately become vacant upon such Councilman's conviction in a court of competent jurisdiction.

Section 15. DESIGNATION OF OFFICIAL NEWSPAPER. The Council, by resolution, shall designate a newspaper of general circulation in the City as the official newspaper for publication of official notices of the City.

Section 16. CITY LEGISLATION.

(a) Any action of the Council that has a regulatory or penal effect, that relates to revenue or the appropriation of money, or that authorizes the borrowing of money, shall be done only by ordinance under this Charter or the general laws of the state. Other actions of the Council may be taken by resolution or by motion. The awarding of franchises or contracts shall be approved by motion of the Council. Ordinances and resolutions shall be in written form before being introduced, and a copy shall be furnished to each member of the Council in

advance of the meeting at which the ordinance or resolution is introduced. The enacting clause in an ordinance shall be "Be it ordained by the Council of the Town of Ashland City, Tennessee:". No action of the Council shall be valid or binding unless approved by an affirmative vote of a majority of the members of Council. Any ordinance that repeals or amends existing ordinances shall set forth, at length, the sections or subsections repealed or amended. Every ordinance, except an emergency ordinance, shall be approved on two (2) readings, not less than one (1) week apart, and shall become effective twenty (20) days after final approval unless its terms provide a later effective date. Every ordinance shall be read by reading the title unless there is a motion by the Council to read the entire ordinance; the second reading may be by title only, except that any amended provisions shall be read in full. Each resolution shall be read in full one (1) time unless the Council, by motion, elects to waive the formal reading, and shall become effective when adopted unless its terms provide otherwise. To meet a public emergency affecting life, health, or property, an emergency ordinance may be adopted on two (2) readings on separate days and shall become effective immediately, by the affirmative votes of a majority of the members of Council, if the ordinance contains a full statement of the facts creating the emergency, provided that any emergency ordinance shall be effective for only ninety (90) days. No emergency ordinance shall be passed that grants franchises, levies taxes, or gives special privileges.

(b) The Council shall have the general and continuing ordinances of the City assembled into an official code of the City, a copy of which shall be kept currently up-to-date by the City Recorder and shall be available to the public. Following the adoption of the official code all ordinances shall be adopted as additions to, deletions from, or amendments to the code.

(c) Standard codes, as defined in Section (2)(3), may be adopted by ordinances that contain only references to titles, dates, issuing organizations, and such changes to the standard codes as the Council may deem desirable.

Procedures prescribed by state law shall be followed when adopting such standard codes. Copies of the official code and any standard codes so adopted by reference shall be available to the public at prices fixed by the Council.

Section 17. DONATIONS TO PRIVATE ORGANIZATIONS. Taxes and other City revenues are levied and collected for public purposes, and the use of such funds as donations or contributions or for private purposes is prohibited, however the Council may contract with nongovernmental agencies for materials, events, and services necessary to effectuate public purposes authorized by law.

SECTION 18. ORGANIZATION OF CITY GOVERNMENT. The City government shall be organized into departments. The Council shall determine the functions and duties of all departments and offices. The Council may establish, abolish, merge, or consolidate offices, positions of employment, departments and agencies of the City. The Council may provide that the same person shall fill any number of offices and positions of employment, and may transfer or change the functions and duties of offices, positions of employment, departments, and agencies of the City, subject to the following limitations:

(a) All officers and employees of the City, except as otherwise
specifically provided in this Charter, shall be appointed, removed by, and be
under the direction and control of the Mayor;

(b) The office of Mayor shall not be abolished, nor shall his powers, as provided in this Charter, be reduced; and

(c) Except as provided in Section 23, the Town Judge shall not hold any other City office or position of employment.

Section 19. ADMINISTRATIVE DUTIES OF MAYOR. The Mayor shall be the executive head of the City government, responsible for the efficient and orderly administration of the affairs of the City. The Mayor shall be responsible for the enforcement of laws, rules and regulations, ordinances, and franchises of the City, and may appoint special policemen when he deems such appointments to be necessary. The City Attorney shall take such legal action as the Mayor may direct for such

purposes, may conduct inquiries and investigations into the affairs of the City, and shall have such other powers and duties as may be provided by ordinance not inconsistent with this Charter.

Section 20. CITY CLERK AND RECORDER. The City Council shall appoint or elect a City Clerk and Recorder who shall have the following powers and duties:

 (a) To keep and preserve the City seal and all official records not required by law or ordinance to be filed elsewhere;

(b) To attend all meetings of the Council and to maintain a journal showing the proceedings of such meetings, the Councilmen present and absent, each motion considered, the title of each resolution and ordinance considered, and the vote of each Councilman on each question. This journal shall be open to the public during the City's regular office hours, subject to reasonable restrictions exercised by the City Clerk and Recorder;

 (c) To prepare and certify copies of official records in the City Clerk and Recorder's office. Fees for such services may be established by ordinance, to be deposited into the City treasury;

(d) To prepare the agenda for City Council meetings in consultation with the Mayor, Council members and department heads;

(e) To perform the duties of Chief Financial Officer; and

(f) To perform such other duties as may be required by the Council or by the Mayor.

Section 21. CITY ATTORNEY. The Council shall appoint a City Attorney, and such assistant City Attorneys as may be authorized, by ordinance. The City Attorney or an assistant City Attorney designated by him, shall be responsible for:

 (a) Representing and defending the City in all litigation in which the City is a party unless another attorney or an attorney through the City's insurance carrier is designated to represent and defend the city;

(b) Prosecuting cases in the Municipal Court unless the District Attorney's office is assigned such cases; (c) Attending meetings of the Council as needed;

(d) Advising the Council, Mayor and other officers and employees of theCity concerning legal aspects of their duties and responsibilities;

(e) Approving as to form and legality all contracts, deeds, bonds, ordinances, resolutions, motions, and other official documents; and

(f) Performing such other duties as may be prescribed by the Council or Mayor.

Section 22. MUNICIPAL JUDGE.

(a) There is hereby created and established for Ashland City, a Municipal court, to be presided over by a Municipal judge.

(b) The Municipal Judge shall have authority to try persons charged with the violation of municipal ordinances, and to punish persons convicted of such violations by levying a civil penalty not to exceed fifty dollars (\$50.00), or the maximum civil penalty allowed under State law, and costs prescribed by ordinance. The Municipal Judge may also have the authority to exercise jurisdiction concurrent with the courts of general sessions in all cases involving the violation of the criminal laws of the State within the corporate limits of the Town, but shall exercise that jurisdiction, if any, only if the judge is elected in accordance with this Charter.

(c) The Municipal Judge shall be elected for a term of eight (8) years on the date prescribed under state law for the election of the judges of the court of general sessions and other inferior courts, and every eight (8) years thereafter, and shall take office on September 1 next following the date of the judge's election. Vacancies in the office of the Municipal Judge shall be filled by the Town Council.

- (d) The Municipal Judge shall be:
 - (1) At least thirty (30) years of age;
 - (2) Licensed to practice law in Tennessee; and

(3) A resident of the Town of Ashland City for one (1) year and a resident of Tennessee for five (5) years immediately preceding the judge's election.

(e) In the event the City or the Municipal court does not have general sessions jurisdiction, the Municipal Judge shall be appointed by the Council or elected as established above at the discretion of the Council. If the Municipal Court does not have general sessions jurisdiction, the judge need not be a resident of Ashland City.

(f) The salary of the Municipal Judge shall be fixed and determined by the City Council prior to the judge's election, and shall not otherwise be altered at any time during the Judge's term of office.

Section 23. OATH OF OFFICE. Before a person takes any elected office in the City government, he shall subscribe to the following oath or affirmation, administered by the City Clerk or any justice of the peace: "I solemnly swear (or affirm) that I will support the Constitution and will obey the laws of the United States and of the State of Tennessee, that I will, in all respects, observe the provisions of this Charter and ordinances of the Town of Ashland City, Tennessee, and that I will faithfully discharge the duties of the office of (Name of Office)."

Section 24. OFFICIAL BONDS. The Mayor and every officer, agent, and employee of the City having duties embracing the receipt, disbursement, custody, or handling of money, and other officers and employees designated by the Mayor, shall give a fidelity bond or faithful performance bond as determined by the Mayor issued by a surety company authorized to do business in Tennessee as surety and in an amount to be prescribed by the Mayor. All such bonds and sureties thereto shall be subject to approval by the Mayor. The cost of the bonds shall be paid by the City. Such bonds shall be blanket bonds covering offices and positions to be bonded, with individual bonds to be secured only when blanket bonds are not obtainable.

- 16 -

Section 25. FISCAL YEAR. The fiscal year of the City government shall begin on the 1st day of July and shall end on the 30th day of June of the succeeding year, unless otherwise provided by ordinance.

Section 26. MAYOR TO SUBMIT ANNUAL BUDGET. No later than forty-five (45) days prior to the beginning of each fiscal year, the Mayor shall submit a proposed budget to the Council for the next fiscal year showing separately for the general fund, each utility, and every other fund the following:

(a) Revenue and expenditures during the preceding year;

(b) Estimated revenue and expenditures for the current fiscal year;

(c) Estimated revenue and recommended expenditures for the next fiscal year, not to exceed the amount of estimated revenue;

(d) A comparative statement of the cash surplus or deficit at the end of the preceding year and the estimated surplus or deficit at the end of the current fiscal year; and

(e) Any other information and data, such as work programs and unit costs, in justification of recommended expenditures that may be considered necessary by the Mayor or requested by the Council. The Mayor may recommend and estimate receipts from additional revenue measures, provided such estimates are separated clearly from normal revenue estimates. The budget shall be accompanied by a message from the Mayor containing a statement of the general fiscal policies of the City, the important features of the budget, explanations of major changes recommended for the next fiscal year as compared with the current fiscal year, a general summary of the budget, and such other comments and information as the Mayor may deem pertinent. A sufficient number of copies of the Mayor's message shall be reproduced to furnish a copy to any person desiring one. A copy of the complete budget shall be filed with the City Recorder for public inspection and a copy shall be furnished to each Councilman. Section 27. CAPITAL IMPROVEMENT BUDGET. A capital improvement budget may also be prepared to include a description of projects recommended for the ensuing fiscal year and the five (5) fiscal years thereafter, the estimated cost of each project, and the recommendations of the Mayor for financing the projects proposed for the ensuing year. The capital improvement budget shall be prepared by or reviewed by the local planning commission, and the recommendations of the planning commission shall be submitted by the Mayor to the Council concurrently with the annual budget. The Council may accept, reject or revise the capital improvement budget as it deems desirable.

Section 28. PUBLIC HEARING. After receiving the Mayor's proposed budget, the Council may fix a time and place for a public hearing thereon, and shall cause a public notice thereof and an announcement providing the time and place that the full budget may be examined, at least ten (10) days prior to the date of the hearing. The public hearing shall be held before the Council at the stated time and place, and all persons present shall be given a reasonable opportunity to be heard.

Section 29. ACTION BY COUNCIL ON BUDGET. After the public hearing and prior to the beginning of the ensuing fiscal year the Council shall adopt an appropriation ordinance, based on the Mayor's proposed budget with such modifications as the Council considers necessary or desirable. Appropriations need not be in more detail than a lump sum for each department or agency. The Council shall not make any appropriations in excess of estimated revenue, except to provide for an actual emergency threatening the health, property or lives of the inhabitants of the City declared by a vote of all members of Council. If emergency conditions prevent the adoption of an appropriation ordinance before the beginning of the new fiscal year, the appropriations for the last fiscal year shall become the appropriations for the new fiscal year. Appropriations, except emergency appropriations as provided above, may be increased during the year only after the Mayor certifies that a sufficient amount of unappropriated revenue will be available. Any portion of an annual budget remaining unexpended and

- 18 -

unencumbered at the close of a fiscal year shall lapse and be subject to appropriation for the following year. Any balance remaining in any fund other than the general fund at the end of a fiscal year may remain to the credit of such fund and be subject to further appropriation.

Section 30. CONTROL OF EXPENDITURES. The Mayor shall be responsible for controlling expenditures of the various agencies of the City government to accomplish maximum efficiency and economy, unless such responsibility is delegated to the finance director by ordinance. No expenditures shall be made in excess of revenue and surplus funds.

Section 31. CENTRALIZED PURCHASING.

(a) All purchases shall be made by department heads. The Mayor may prescribe rules for emergency purchases. The department head shall prepare standard specifications for supplies and equipment. The City Recorder shall use such information and specifications as supplied to prepare bid packets and enforce such specifications. Department heads shall declare and dispose of surplus or worn-out supplies and equipment. Department heads shall store and maintain records of materials and supplies, and maintain records of City property used by their departments.

(b) Purchases of more than five thousand dollars (\$5,000) shall require approval of the Council. All purchases, except for minor items used infrequently or items which must be obtained immediately to avoid disruption of services, shall be by competition, subject to such regulations as may be provided by ordinance. Any expenditure for more than fifteen thousand dollars (\$15,000) shall be made only after sealed bids have been invited by a notice published at least one (1) time in the official City newspaper and at the City Hall, the last such notice to be published not less than fifteen (15) days in advance of the date set for receiving bids. Purchases and contracts shall be awarded to the lowest responsible bidder, however the Council may give preference to local bidders who operate a business within the corporate limits of the City. All published notices shall state that the City reserves the right to reject any bids. The Council may waive the requirement to obtain bids when there is only one (1) source of supply or when such action is in the best interest of the City, providing the reasons for any such waiver are made a matter of record. Bid records shall be preserved for a period of not less than two (2) years. Bids need not be taken for professional services and services for which the rates or prices are regulated by public authority, nor shall competitive bidding be required for purchases from other governmental agencies. The Mayor shall have the authority to make purchases at state and federal surplus sales without having to bid for items in an amount not to exceed the budgeted amount for the items.

Section 32. UNAUTHORIZED CONTRACT OR EXPENDITURE. Any contract or agreement made in violation of the provisions of this Charter or ordinances of the City shall be void, and no expenditure shall be made thereunder. Every officer and employee who knowingly makes or participates in any such contract or agreement, or authorizes or makes any expenditure thereunder, in addition to their sureties on their official bonds, and every person who knowingly receives a payment pursuant to such contract or agreement, shall be jointly and severally liable to the City for the full amount so paid or received. A violation of this section by any officer or employee shall be cause for the person's removal.

Section 33. SALE OF CITY PROPERTY. The Mayor may sell City property which is obsolete, surplus, or unusable, after advertisement as provided in Section 32(b), by sealed bids or at public auction; provided, however, that any sale of real estate shall be subject to approval by the Council. The Mayor may sell any item valued at less than two hundred dollars (\$200) without taking bids, but each sale shall be reported to the Council at its next meeting.

Section 34. ANNUAL AUDIT. Within thirty (30) days after the beginning of each fiscal year the Council shall employ an independent, certified public accountant to conduct an audit of all financial records of the City for that year. The auditor shall perform adequate sampling to determine the validity of such records. Each audit shall

include a determination of the legality of transactions, mathematical accuracy of records, complete accountability, and application of accepted municipal accounting principles. The audit shall be made in accordance with generally accepted auditing standards and in conformity with generally accepted accounting principles. The audit shall be completed and a report shall be submitted to the Council within one hundred eighty (180) days after the end of the fiscal year.

Section 35. BONDS FOR PUBLIC WORKS CONTRACTS. Each bid on a contract for any public works or improvement shall be accompanied by a cash or surety company bid bond in the amount of five percent (5%) of the amount of the bid. Before any contract is awarded, the contractor shall give a bond for the faithful performance of the contract, with a surety company authorized to transact business in Tennessee, in an amount equal to one hundred percent (100%) of the contract price. The Council may waive these requirements for contracts under fifteen thousand dollars (\$15,000).

Section 36. PROPERTY TAXES. All property subject to taxation shall be subject to the property tax levied by the City. The Council may elect to use county assessments, or may appoint a City assessor to assess all property subject to taxation except property assessed by the Office of State Assessed Property. If assessments are made by a City assessor the Council, by ordinance, shall provide for a City board of equalization and the procedure for appeals of assessments thereto.

Section 37. OMITTED PROPERTY. If county assessments are used the City Clerk shall add any taxable property that may have been omitted by the county assessor to the assessment rolls. Such property shall be appraised and assessed at the same ratio as other property of the same class located in the City.

Section 38. TAX LEVY. The Council shall make a tax levy, expressed as a fixed rate per one hundred dollars (\$100) of assessed valuation, not later than ninety (90) days prior to the tax due date. In the event of the Council's failure to do so, the prior year's tax rate shall continue in effect.

Section 39. TAX DUE DATES AND TAX BILLS. The due dates of property taxes shall be fixed by ordinance and a provision may be made for equal semi-annual

installments. The City may send tax bills to taxpayers showing the assessed valuations, amounts of taxes due, tax due dates, and information as to delinquency dates and penalties. Failure to send tax bills shall not, however, invalidate any tax penalty or interest thereon. Property taxes shall become delinquent thirty (30) days after the due date, at which time a penalty of five percent (5%) shall be added and thereafter such taxes shall be subject to interest at the rate of one-half of one percent (0.5%) for each month or fraction thereof until paid or the maximum amount as allowed by law. On and after the date such taxes become delinquent, the tax records of the City shall have the force and effect of a judgment of a court of record. If the City uses the county trustee or the delinquent tax attorney to collect delinquent real property taxes, the provisions of Tennessee Code Annotated, Section 67-5-2005 shall apply.

Section 40. DELINQUENT TAXES. The Council may provide by ordinance for the collection of delinquent taxes by distress warrants issued by the Mayor or City Recorder for the sale of goods and chattels, to be executed by any police officer of the City under the laws governing execution of such process from a justice of the peace or Court of General Sessions; or by the county trustee as provided by general law; or by the City Attorney acting in accordance with state law providing for the collection of delinquent City or county taxes; by garnishment; by suits in chancery; by any two (2) or more of the foregoing methods, or by the use of any other available legal processes and remedies.

Section 41. COUNTY MAY COLLECT TAXES. The City may contract with the county for the collection of City taxes. The contract may provide for reasonable fees to be paid to the county for this service.

Section 42. TAXES NOT TO BE EXCUSED. No officer or employee of the City shall have the authority to excuse taxes, penalties, interest, special assessments, or other charges due the City, however errors may be corrected when authorized by the Council.

Section 43. DISBURSEMENTS BY CHECKS. All disbursements, except for any agency of the City administered by a board or commission, shall be made by checks

- 22 -

signed by the City Clerk and countersigned by the Mayor, or disbursements may be contracted for direct deposit. The Council may, by resolution, designate other officers to sign the checks in the absence or disability of the Mayor or City Clerk.

Section 44. OFFICIAL DEPOSITORY. The Council shall designate an official depository or depositories for deposit and safekeeping of funds of the City, with such collateral security as may be deemed necessary by the Council.

Section 45. ACCOUNTING. The financial records of the City shall be established and maintained in general conformity with the accounts and procedures recommended by the Municipal Finance Officers Association or other nationally recognized authority on municipal accounting.

Section 46. INTERGOVERNMENTAL COOPERATION AND CONTRACTS. In addition to other powers granted in this Charter, the City Council shall have the power to contract and cooperate with any other municipality or other political subdivision of the state, with an elective or appointive official thereof, or with any duly authorized agency of the federal or state government, for the exercise of any power or function that the City is authorized to undertake by this Charter in accordance with the provisions of state law.

Section 47. OTHER STATE LAWS MAY BE USED BY CITY. Notwithstanding any provision of this Charter, the City Council may elect to operate under or adopt any state law or public act available to municipalities of the state, in lieu of or in addition to provisions of this Charter.

Section 48. REPEAL OF ACTS. Chapter 241 of the Private Acts of 1921, except for Section 2, as written by Chapter 132 of the Private Acts of 1969, as amended by Chapter 185 of the Private Acts of 1974, Chapter 326 of the Private Acts of 1980, Chapter 134 of the Private Acts of 1981, Chapter 149 of the Private Acts of 1983, Chapter 141 of the Private Acts of 1998, and all other acts amendatory thereto, are repealed. All acts or laws, or parts thereof, in conflict with this Act, or any part hereof, be and the same are hereby repealed.

- 23 -

Section 49. The Town of Ashland City, and the governing body thereof shall continue to operate and function under the Charter existing before the passage of this amendatory act until the amendatory act is passed by the state legislature.

Section 50. Persons holding offices under the Charter existing at the time of the adoption of this amendatory act shall continue to hold those offices until their successors are elected or appointed and qualified according to the terms and provisions herein set forth; and all valid existing ordinances of the Town of Ashland City shall remain in full force and effect unless hereafter amended or repealed.

Section 51. If any provision of this act or the application thereof to any person or circumstance is held invalid, such invalidity shall not affect other provisions or applications of the act which can be given effect without the invalid provision or application, and to that end the provisions of this act are declared to be severable.

SECTION 2. This act shall have no effect unless it is approved by a two-thirds (2/3) vote of the legislative body of the Town of Ashland City. Its approval or nonapproval shall be proclaimed by the Mayor and certified to the secretary of state within ten (10) days of such approval or nonapproval.

SECTION 3. For the purpose of approving or rejecting the provisions of this act, it shall be effective upon becoming a law, the public welfare requiring it. For all other purposes, it shall become effective as provided in Section 2.