6,250 subscribers www.TML1.org Volume 75, Number 6 May 2024



CMFO / Utility Traning Hours available

## **Dynamic Workshops planned** at TML Conference July 20-23

A multitude of dynamic workshops are planned for the TML 84th Annual Conference, slated for July 20-23 in Knoxville.

Several panel presentations are planned that will address:

- How and Why to Conduct a Special Census
- Workforce Development
- Mental Health and Police Departments Alternative Response
- Saving Money through LED Lighting Upgrades
- Talkin' Trash Landfills: Running Out of Space; and
- Parks & Recreation: Current Trends, Master Plans & Technical Assistance

Other workshop topics include Cybersecurity for Small Cities; Working with the Media; Securing Federal Grants to Address Infrastructure Needs; and How to Stop Fraud Before it Happens.

Many of the conference sessions will meet the continuing education requirements for the Certified Municipal Finance Officers (CMFO) and Utility Board Member Training. Sessions will begin on Saturday and are included in the full registration fees. Other workshops scheduled for Sunday morning and throughout the day on Monday will also qualify for both CMFO and Utility Training hours. All sessions are opened to registered attendees.

Other conference highlights include award-winning sports writer Sally Jenkins on The Seven Factors of High Performing Leaders, a dynamic panel presentation on Artificial Intelligence (AI) and practical uses in municipal government, TML's annual awards breakfast, an outstanding exhibitors hall and vendors program, ample opportunities to network with your peers, a Sunday morning golf tournament, plus much more! So make plans now to attend

#### **Schedule At-A-Glance** FRIDAY, JULY 19

9 - 5 MTAS EOA **SATURDAY, JULY 20** 

MTAS EOA 12 - 4 Registration CMFO & Utility Board Training

#### SUNDAY, JULY 21 Golf Tournament

	, •
7:30	Golf Tournament
7:45 - 9:45	<b>BEMO</b> Breakfast
9 - 5	Registration
9:30 -3:30	Exhibit Hall open
10 - 11	Concurrent
	Workshops (4)
11:30 -1:30	Lunch
11:30 -1:30	WMIG Lunch
11:45 -1:45	J.R.Wauford
	Ice Cream
1:15 - 2:15	Roundtables
2:30 - 3:15	District Meetings
3:30 - 5	General Session
6 - 8	Host City
	Reception

#### **MONDAY, JULY 22**

7:15 - 8	Breakfast
8 am - 3	Exhibit Hall
8:30 - 9:30	Concurrent
	Workshops (4)
9:45 - 11	General Session
11:15 -12	<b>Business Meeting</b>
12 -1:30	Lunch
I - 2:30	J.R.Wauford
	Ice Cream
1:30 - 2:30	Door prizes
2:45 - 3:45	Concurrent
	Workshops (3)
4 - 5	Concurrent
	Workshops (3)
6:30 -11	PEP Rally \ \

**TUESDAY, JULY 23** 8 - 10:30 Awards Breakfast

the TML84th Annual Conference! Conference registration is now open. For more information and how to register go to www.tml1. org. If you have any questions, please contact Sylvia Harris: sharris@tml1.org or call (615) 425-3903.

### Familiar names atop Tennessee's list of fastest growing counties in 2023

By TIM KUHN

Director, Tennessee State Data Center

Forgive us if you have heard this one before - Rutherford County has added the most population among Tennessee counties according to the 2023 U.S. Census Bureau Population Estimates released on March 14. That makes eight years running that the Midstate county, located southeast of Nashville (Davidson County), added the most population among its Tennessee peers.

Rutherford County added 6,419 people or 1.8% to its population over the year ending July 1, 2023 (Table 1). That was slower than last year's 2.7% increase that added 9,500 people to the community's ranks. In fact, this was the first time since 2010, at the onset of the Great Recession, that the county's pace of increase fell below 2%. In fact, just three times since 1980 has the county experienced a growth rate below that mark.

Knox County (Knoxville) and Hamilton (Chattanooga) counties were second and third on this year's list with both adding just under 5,300 people in 2023. That was followed by a slew of Middle Tennessee counties in the Nashville Metro area including Wilson, Davidson (Nashville), Sumner and Williamson. Montgomery County (Clarksville) slotted in at sixth with an increase of 4,973 people.

Nine counties on the 2023 list also showed up in 2022. Loudon County was back as the tenth fastest growing, replacing Washington County (Johnson City) in northeast Tennessee that had Population Increase 90 Counties

Added population in 2023

+Net Domestic Migration 88 Counties

More people moved in than moved

Natural Increase 13 Counties

More births than deaths

Key Indicators for Tennessee

Counties from Vintage 2023 Population Estimates

previously held that spot.

#### Tennessee's Widespread Increases Among Highest in the

Across the state, 90 of the state's 95 counties recorded population increases in 2023. That mark is up from last year when 81 of the state's counties added population and higher yet than 2021 when 72 counties saw increases. Such widespread gains among counties haven't been observed in Tennessee since the mid-1990's when that mark was matched three times (1993, 1996 and 1997). 91 counties added population in 1995 during the decade that saw Tennessee's largest and fastest growth in

See GROWING on Page 5

# 113th TN General adjourns Sine Die

The second session of the 113th General Assembly adjourned sine die on April 25. The session was largely shaped by three separate factors that would dominate discussions surrounding the budget and affect the prospects of many legislative proposals.

#### **Slowing Growth**

The realization of state revenues significantly in excess of projections had become so common that one could not have blamed any legislator for assuming this would continue indefinitely. In fact, many current legislators had never participated in a legislative session in which significant revenue growth had not been projected and realized. Then, the inevitable happened.

As legislators convened in Nashville to begin this year's Session, it was clear a myriad of factors had combined to begin to stem the tide. Through the first seven months of this fiscal year, state general fund revenues were underperforming projections by 3.4% and represented a 2.2% drop when compared with collections through seven months in the previous fiscal year. Thus, for the first time in almost a decade, the General Assembly convened a Session in which it was almost certain that the State would not realize significant revenues in excess of projections at the fiscal year's end This slowing growth and other economic factors led the State Funding Board to recommend a growth rate of just 0.5% in state revenues for FY24-FY25.

However, despite this sudden shift of budgetary fortunes the prospects for the FY24-FY25 year were not as dire as one might presume. The reason for the seemingly misplaced optimism heading into the Session can be attributed to the implementation of fiscally conservative policies, budget-conscious decisions, healthy reserve balances and the use of recurring



Photo by Nicole Hester / The Tennessean

Gov. Bill Lee speaks during a press conference at the end of session at Tennessee Capitol. Also pictured House Majority Leader William Lamberth, House Speaker Cameron Sexton and Lt. Gov. Randy McNally.

revenues for one-time expenses in FY23-FY24. The use of about \$1.7 billion in recurring revenues for onetime expenses last fiscal year meant that nearly \$2 billion in recurring funds would be available for new initiatives, helping to offset the immediate effects of nominal growth in the FY24-25 budget. However, this silver lining would be short-lived as the anticipated benefit of the recurring dollars would be negated by the second factor.

#### **F&E** Revelation

In early December, about two weeks before the governor was to finalize his FY24-FY25 budget proposal, it was determined that the state faced certain lawsuits related to the 89-year-old franchise and excise tax. The disclosure of this anticipated liability and the proposed response to preempt potential lawsuits constituted the second factor that shaped the

The issue involved the constitutionality of the state's franchise tax in the wake of a 2015 U.S. Supreme Court ruling that relied on the "Dormant Commerce Clause," which prevents enactment of legislation that discriminates or burdens interstate commerce. Under the law, businesses are subject to a franchise tax equal to the greater of .25% of a firm's net worth or the amount of its tangible property located in the state. The state's franchise tax on the net worth of a businesses assets and liabilities is not uncommon. However, the additional element of the state's franchise tax that includes the possibility of tax liability being determined by the amount of a business' tangible property raised the constitutional question and became the basis for the anticipated lawsuits.

Gov. Lee proposed to change the current law to conform to the Court's decision. In addition, the governor's budget proposal included funding to provide affected companies with a refund in an amount equivalent to three years of excess taxes collected as a result of the suspect state law. Initially, the two-pronged solution offered by the Governor was estimated to cost almost \$1.4 billion. Sub-See 2024 SESSION on Page 6

# EPA announces new federal drinking water standards surrounding "forever chemicals"

By KATE COIL TT&C Assistant Editor

The Environmental Protection Agency has announced new federal regulations regarding drinking water standards surrounding "forever chemicals."

Exposure to per-and polyfluorakyl substances (PFAS) have been linked to cancers, developmental damage in children and infants, and negative impacts to the liver, heart, and immune systems. The EPA issued a final rule and a <u>PFAS</u> Strategic Roadmap detailing plans to reduce PFAS exposure in the

drinking water supply nationwide. Carolyn Berndt, legislative director for sustainability with the National League of Cities (NLC), said the rule sets limits for five individual PFAS: PFOA, PFOS, PFNA, PFHxS, and HFPO-DA (also known as "GenX Chemicals"). The rule also sets a limit for mixtures of any two or more of four PFAS: PFNA, PFHxS, PFBS, and "GenX chemicals."

"In summary, the new regulation sets an enforceable Maximum Contaminant Level at 4 parts per trillion for PFOA and PFOS, the two most studied of the PFAS chemical class," she said. "The new regulation also sets an enforceable Maximum Contaminant Level at 10 parts per trillion for 4 other PFAS chemicals and creates an enforceable Hazard Index for 4 additional PFAS chemicals when they are found together in mixtures."

Berndt said the final rule will be effective 60 days after its publication on the Federal Register and water systems will need to be in compliance with those rules

"Water systems have three years to complete the initial monitoring that is required," she said. "The new regulation also requires local governments and water utilities to inform the public of the measured levels of PFAS in their



The Environmental Protection Agency has announced new standards surrounding per-and polyfluorakyl substances (PFAS) - also known as "forever chemicals" in drinking water due to links to cancers, developmental damage, and negative impacts to the liver, heart, and immune systems.

drinking water beginning in 2027. Water systems have five years to implement solutions to reduce PFAS in their drinking water if they exceed the levels (by 2029). EPA estimates that approximately 4,000-7,000 (of the 66,000) public drinking water systems will have to take action to reduce PFAS to meet these new standards."

The EPA has a number of resources on its website include fact sheets, frequently asked questions document, a tool kit on communicating and educating the public, and a guide on which at-home filters can help reduce PFAS in drinking water.

In addition to the final rule, the EPA is announcing nearly \$1 billion in newly available funding through the Bipartisan Infrastructure Law to help states and territories implement PFAS testing and treatment at public water systems and to help owners of private wells address PFAS contamination. This is part of a \$9 billion investment through the Bipartisan Infrastructure Law to help communities with drinking water impacted by PFAS and other emerging con-

taminants. The EPA estimates that between about 6% and 10% of the 66,000 public drinking water systems subject to this rule may have to take action to reduce PFAS to meet these new standards. All public water systems have three years to complete their initial monitoring for these chemicals. They must also inform the public of the level of PFAS measured in their drinking water.

Where PFAS is found at levels that exceed these standards, systems are now required to implement solutions to reduce PFAS in their drinking water within five years. The new limits in this rule are achievable using a range of available technologies and approaches including granular activated carbon, reverse osmosis, and ion exchange systems.

The decision comes on the heels of the EPA considering new rules for lead water pipes, requiring their removal within the next www.TML1.org 2-TENNESSEE TOWN & CITY / MAY 2024

## NEWS ACROSS TENNESSEE



#### CHATTANOOGA

In response to an urgent need for intensive mental health services in Chattanooga, the Office of Community Health (OCH) has created several mental health clinics aimed at providing vital care to underserved communities in Chattanooga. The services are fully-funded through the U.S. Department of Health and Human Services' Office of Minority Health and will be provided at community centers in neighborhoods the Office of Community Health has established as having a disproportionate need. Chattanooga City Council approved MOUs to provide mental health care to individuals who are underinsured, uninsured, or cannot afford a copay. The services will be provided in collaboration with several of the city's key community partners who are already providing critical services in the community. The goal of the program is to provide more accessible care to the approximately 18,000 residents without insurance coverage who could see the worsening of their mental health without treatment.

#### **DYERSBURG**

Firestone Industrial Products officials announced the company will invest \$8.9 million to expand manufacturing and distribution at its Firestone Airide facility in Dyersburg. Firestone Airide, a division of Firestone Industrial Products headquartered in Nashville, constructed a new facility at 1901 Sylvan Road, which will house 41 new jobs upon completion of the project. The expansion will comprise of a warehouse center and small box kitting operation to further enhance the company's air spring production and distribution worldwide. Firestone has more than 80 years of experience designing and manufacturing air springs and related products to eliminate vibration across the automotive, heavy-duty and off-highway segments and will collaboratively integrate tire and air spring sensing technologies to create a unique value proposition for our partners through performance, comfort and sustainable solutions.

#### EAST RIDGE

The East Ridge City Council voted to approve design and construction plans for a new multi-purpose event center behind East Ridge City Hall. The 12,000-square-foot facility includes 7,000 square feet of event space, two smaller multi-purpose rooms, a catering kitchen, outdoor entertainment space, and indoor public restrooms. Construction of the facility is expected to begin in the late summer or early fall of this year with an estimated construction timeline of 12 months.

#### KNOXVILLE

Greenheck Group officials announced the company will construct its fourth corporate campus with Knoxville as the newest location. Greenheck Group will create 440 new jobs and invest \$300 million in Knoxville initially with room for future growth. The corporate campus will include manufacturing and warehousing facilities as well as a main office and dedicated space for training and research and development. Greenheck Group is one of Wisconsin's largest privately owned manufacturers. The company specializes in manufacturing industrial ventilation equipment, which can be found in schools, malls, office spaces and industrial plants. Greenheck Group employs more than 5,000 people across its operations in the U.S., Mexico and India.

#### MEMPHIS

Corky's Food Manufacturing, LLC, officials announced the company will expand manufacturing operations at its 3006 Fleetbrook Drive location in Memphis. Corky's will invest \$4 million and create 28 new jobs to add a second shift and additional space, which will allow the company to maintain a competitive edge and take advantage of more existing market opportunities. This project will include a freezer expansion, addition of smokers and new auto-

mation and expanded processing and packing rooms. Corky's Food Manufacturing, LLC makes and distributes the retail food products of Corky's BBQ, a leading restaurant in Memphis that has eight locations across Tennessee, Arkansas and Mississippi.

#### **NASHVILLE**

The city of Nashville has received the Enterprise Approach to GIS award at the 2024 Esri Public Sector CIO Summit, which recognizes organizations who led a significant digital transformation of a project, department, or organization using GIS as a foundation. Nashville won the award for the Department of Information Technology Services' (ITS) implementation of Geographic Information Systems (GIS) across Metro government to improve government efficiency and increase residents' access to information is receiving national recognition from industry leaders. A few marquee tools built by Metro's GIS team include Parcel Viewer, Development Tracker and NashDigs. Additionally, ITS's GIS team has recently developed the Davidson County Digital Inclusion Map and District Data Dashboard. Check out NashvilleMaps, to find the many interactive and static maps that Nashville has to offer.

#### **ROCKWOOD**

Protomet Corporation officials announced the company will expand its footprint in East Tennessee by establishing engineering and manufacturing operations in Rockwood. Protomet will create 250 new jobs and invest \$25 million as the company acquires and retrofits the former Albahealth building on North Gateway Avenue. The Rockwood facility will be state-of-the art, joining and supporting Protomet's other manufacturing operations in Loudon and Oak Ridge. Protomet Corporation is a manufacturing, engineering and technology corporation headquartered in Loudon. Protomet serves an array of customers, including automotive, boating and homeland security. With the additional plant in Rockwood, Protomet will employ more than 500 Tennesseans.

#### STANTON

Avancez officials announced the company will invest \$54 million to expand its assembly operations and locate a new facility on Ford Motor Company's Blue Oval City Supplier Park. Avancez will join Magna at the Stanton site, creating an additional 501 new jobs. The Tennessee assembly plant will be the company's third location in the U.S. and positions Avancez in closer proximity to its key automotive customers across the Southeast. Founded in 2012, and headquartered in Warren, Mich., Avancez specializes in complex modular assembly, sequencing and other supply chain operations for automotive original equipment manufacturers (OEMs). Upon completion of the project, Avancez will employ more than 4,000 people between its locations in U.S. and Canada. Avancez is the second automotive tier 1 supplier to announce its plans to locate in Tennessee since July. With investments from companies like Avancez, the state continues to make significant strides in electric vehicle (EV) manufacturing.

#### TUSCULUM

New upgrades have been completed at Tusculum City Park. The city recently completed a restroom facility to replace a previous structure that dated back to the 1970s. The four new restrooms each have ADA facilities as well as baby-changing facilities. The new structure will also be easier to winterize due to its insulation. Last year, the city also replaced all of the equipment on the playground at the park, which is now ready for use. The \$100,000 project includes \$50,000 from the Sullivan County Baby Doe opioid lawsuit and a \$25,000 donation from Silicon Ranch Corp. The park also includes a walking track, horseshoe pits, a pavilion, and trailheads for the Tusculum Linear Walking and Biking Trail. The park is also adjacent to an elementary school.

# Portland unveils Hometown Heroes banner program in time for Memorial Day



Portland unveiled its new Hometown Heroes banner program, serving as a tribute to the men and women from Portland who have or are currently serving in a branch of the military. Each banner includes the picture, name, rank, branch of service, and years of service of an individual. The banners will be displayed from Memorial Day until Veteran's Day and can be paid for by families, individuals, sponsors, and civic organizations.

## St. Joseph cuts ribbon on new city hall



Officials cut the ribbon on the new St. Joseph City Hall. The new facility was purchased with a \$200,000 loan for 12 years from the Tennessee Municipal Bond Fund. The structure is the former First Tennessee/ First Horizon Bank property and will house both the city's administrative and police departments. The building has both an ATM and a drive-thru window for customer convenience.

# Collierville breaks ground on new fire station



Officials in Collierville broke ground on the town's new Fire and Rescue Station No. 6, which will be located across the street from Collierville High School. The two-story structure will measure more than 15,900-square-feet and includes sleeping quarters, restrooms, laundry facilities, living and workspaces, a kitchen, dining area, three-bay drive through garage and support spaces for gear and wellness. The building will also include a diesel exhaust system to reduce firefighters' risk of cancer as well as a comprehensive alerting system and natural gas facility generator for backup power supply. It is the first new fire station in Collierville in 23 years.

# Smyrna officials cut ribbon on Sharps Springs mountain bike trail



Officials with the town of Smyrna cut the ribbon on the new Sharp Springs Mountain Bike Trail. Located at the Sharp Springs Natural Area, the trail is 2.25 miles long and is designed for both family and novice bikers. Officials present for the ribbon cutting included Mayor Mary Esther Reed, Vice Mayor Marc Adkins, Councilman H.G. Cole, Councilman Steve Sullivan, Town Manager Brian D. Hercules, and Assistant Town Manager Todd Spearman.

## UT Baker School to launch online master's of public administration

**By KATE COIL** TT&C Assistant Editor

The Howard H. Baker Jr. School of Public Policy and Public Affairs is launching a new, completely online Master of Public Administration (MPA) degree aimed at working professionals seeking to both develop their own skills and contribute new ideas and practices to their communities.

Launching in fall 2024, the curriculum focuses on knowledge and skill development in public sector leadership and human and financial management along with concentrations in policy analytics, economic and community development, non-profit management, and emergency management.

Katie Cahill, senior director of strategic initiatives at the Baker School, said the new online degree program builds on the more than 50 years of success the in-person degree program has built.

"We wanted to be sure that this very successful curriculum we have had at the university for more than 50 years was available to all public servants in the state of Tennessee," Cahill said. "We recognize that there are many exceptional public servants who are working professionals who do not have the time to come to in-person classes or relocate to Knoxville. We also don't think it would be in the best interest of the state to do so. We decided to design a program that would allow them to continue to serve in their communities while expanding

their knowledge base and skillset, advance their careers, and do even more in public service."

To participate in the program, applicants must have a minimum of two years of professional experience, professional references, and a 3.0 minimum GPA as an undergraduate.

Much of the core coursework of the online program is the same as the in-person. The main difference between the in-person and the online degree is that the online course is more self-directed and allows for more flexibility.

"All the curriculum is designed together, meaning all the classes use the same platform and same structure," Cahill said. "That makes it really predictable for working professionals to know what to anticipate in terms of software they are going to encounter and the way the classes are structured so they can plan around that."

The course is set up asynchronously, meaning participants can watch lectures, complete work, and participate around their own schedule and as quickly as they want to. Cahill said there are only three synchronous or scheduled sessions to participate in — one as orientation, one mid-semester, and one right before finals — to check in with students on their status.

There is also an optional, in-person orientation event on-campus participants can come to at the beginning of the semester to get to meet and network with other members of their cohort, faculty, and Baker Center staff.

Instead of an internship and capstone project required for the in-person program, online learns will also have an executive practicum.

"The in-person program does not require evidence of professional experience," Cahill said. "In recognition of the professional experience that those participating in the online program are required to have, their requirements are different. The executive practicum is a course for three credits in the fall and three credits in the spring of their final year where they propose a program or initiative for either their current employer or an organization of their choosing to design and implement. We think that is a benefit both to the employer or organization and provides real-world application of those expanded skills and knowledge the person has acquired."

The Baker Center is holding in-person and online meetings for interested participations. Additional information sessions may be added if interest grows. Prospective students can also get more information at any time online from the Baker Center and will be contacted by staff about the program.

The priority deadline to apply for the Fall 2024 cohort of the MPA program is July 15.

Cahill said those who do not feel the MPA program is a good fit may find more interest in a similar, completely online master's of public policy (MPP) program that the Baker Center is also launching in Fall 2025.

BAKER SCHOOL
OF PUBLIC POLICY & PUBLIC AFFAIRS

The new online master's of public administration degree is designed to accommodate working professionals who want to advance their knowledge base but do not have the time to attend the in-person course.

"The MPA is really focused on management for the public sector, which includes things like budgeting, financial management, HR management, working with data, and those kinds of public administration principles. It also has only four concentrations," Cahill said. "The MPP is more focused on economics, data analytics, and policy. Students will take two courses on economics, three on data analytics, and three courses on policy and ethical leadership. They will also be able to choose from a longer list of concentrations, like health policy, national security policy, and environmental policy. Someone who is interested in public policy, may want to wait for the fall of 2025 to pursue the MPP instead. In terms of structure, the MPP online program will be the same as the MPA."

Cahill said the hope is the program will allow working professionals to bring new knowledge, skills, and support back to their communities.

"This program has benefits beyond what they may already have in their community," she said. "It provides a network of access to others who have completed the degree, both Tennesseans and those throughout the Southeast, to gain knowledge of best practices, share in professional development and support one another as they face novel challenges. I think that is an important thing for any community, to have to be connected to communities of similar size and facing similar problems."

# Rackley roofing celebrates 50 years of service in Tennessee

CKLEY ROOK

In 1974, Rackley Roofing embarked on a journey, aspiring to "Transform the Roofing Industry," and today, the company proudly celebrates five decades of unwavering commitment, resilience, and community support.

From humble beginnings to becoming a cornerstone in the roofing industry, Rackley Roofing Company Inc., has stood the test of time, weathering storms and evolving with each passing year. The company's 50th anniversary marks a significant milestone, a testament to the trust customers have placed in them and the dedication of their incredible team.

"Originally, Rackley Roofing had only one location in Carthage," said Michelle Boykin, chief operating officer with Rackley. "With acquisitions and expansions, we now have locations in Knoxville, Cleveland, Mt. Juliet, and expanded with a location in the Murfreesboro market. We started with a very small staff of 5-10 people and now we have approximately 200 employees. Rackley covers the

whole state, parts of Georgia, into Kentucky and some other states when opportunity arises."

The company works to bring national trends and practices to local municipalities.

"Rackley has a pulse on the roofing industry nationwide, as well as a connection to thought leaders across the country, but we are a hometown company," said Vanessa Williams, director of brand and employee engagement at Rackley. "Cities and towns can know that we are taking bigger ideas and technologies and bringing them to small towns across Tennessee."

While the roofing industry has changed over the past 50 years, the quality of service Rackley provides has not.

"When Rackley first began it was old-school roofing," Boykin said. "Rackley decided to Transform the Roofing industry by smashing stereotypes, breaking glass ceilings, and opening the industry up to everyone. The industry is thriving by being open to technological improvements, new materials, and processes. Over these five

decades, we've not just built roofs; we've built relationships and woven the fabric of a strong community. We're immensely grateful to our clients, partners, and the communities we've had the privilege to serve. Your trust has been the driving force behind our growth, and we look forward to continuing

one of the reasons for this is the value system Rackley sticks to.

"Rackley Roofing is a relationship company that just happens to install and maintain great roofs," Boykin said. "Rackley also fosters a culture that is driven by our <u>six</u> <u>Core Values</u>. We utilize these six Core Values to make all our

employment decisions such as hiring, promoting, terminating as well as rewarding and recognizing our team members."

One of the ways Rackley does this is by taking a consultative approach to determine what the owner needs, how much life is left in the roof, and how we can get the best result and meet the budget expectations.

"Rackley does not always suggest a new roof," Boykin said. "When Rackley takes on a roofing project, they come alongside the building owner, contractor, or whomever the project belongs to and develop a relationship and understanding of what the expectations are and how we can work together to meet those today and in the future. We want to give the customer the best product available for their needs and make sure that it is installed, replaced, or repaired to the manufacturer's specifications. Rackley wants to help the building

owner maintain their roof and get

the most life out of every project."

The company is involved in the community in other ways.

"Rackley has had the honor to work with the Roofing Alliance and the NRCA to perform work over the years at the Ronald McDonald House Charities Homes across Tennessee," Williams said. "Our owner, Curtis Sutton, has a personal history with RMHC, so this has been a great opportunity for us. We have worked on some major projects over the years, but the ones changing lives are the ones that are the most meaningful. Our partnership with National Women in Roofing has led to opportunities to help local domestic violence shelters as well."

The next 50 years hold promises of innovation, sustainability, and continued excellence. Rackley Roofing Company Inc. remains committed to delivering top-notch craftsmanship, utilizing cutting-edge technology, and maintaining the highest standards of professionalism. The company's goal is to leave a legacy for the next generation of roofers.

# No loan is too large or too small



The Town of Obion recently used TMBF's alternative loan program for a \$150,000 capital outlay note issue to finance the construction of a new public works building. Pictured are City Recorder Jana Fluty, Mayor Rodney Underwood and TMBF Marketing Representative Justin Hanson.



The City of Dechard used TMBF's alternative loan program to borrow \$701,466 to finance a new pumper truck for the Dechard Fire Department. The financing was provided by Citizens Tri-County Bank, a local bank in Dechard. Pictured with TMBF Marketing Representative Kevin Krushenski (right) are Fire Chief Chuck Williams and three of the city's firemen.



See us for your special projects needs (615) 255-1561



# **PEOPLE**



Bob Barnes, former fire chief for the Bristol Fire Department, died April 7, 2024, at the age of 71. Barnes began his career with the



**Bob Barnes** 

Bristol Fire Department in 1974. He was promoted to lieutenant in 1981, captain in 1995, and battalion chief in 2001. He was named chief of the department in 2007 and was active in local, state, and federal organizations. He oversaw the department's first designation as an internationally accredited agency, making Bristol only one of five departments in the state to have this achievement. He retired after 43 years of service in 2017.

**Justin Crosby** has been selected as the director of Clarksville's Building and Codes Department. Crosby has been serv-



Justin Crosby

ing as the interim director of the department and prior to that was deputy director of the department. Crosby has more than 20 years of service to the Clarksville community in a variety of roles.

Mary Beth Elrod has been selected as the new public works director for the city of Cookeville following the retirement of Blake Mayo.



Mary Beth Elrod

Elrod has been with Cookeville Public Works since May 2022 and has more than 13 years of professional experience as an engineer and project manager. Elrod holds a bachelor's degree in civil and environmental engineering from Tennessee Technological University.

Brian Hercules, town manager of Smyrna, has announced his retirement from the town after six years in the role. Prior to joining the



**Brian Hercules** 

town in July 2018, Hercules spent more than five years at the Rutherford County Chamber of Commerce as vice president and then senior vice president of economic development. He also spent three years as president and CEO of the United Way of Rutherford and Cannon Counties and 28 years with Atmos Energy as a regional sales manager. Smyrna Town Attorney Jeff Peach will step in as interim town manager while officials search for Hercules' successor.

Robert A. Mc-Nees III has retired after 37 years as municipal judge for the city of Oak Ridge. Mc-Nees earned his undergraduate degree in



Robert McNees

journalism and his law degree from the University of Tennessee. He initially established his own law firm then served as the city of Oak Ridge's defense attorney from 1975 to 1977 before becoming the city judge in 1987. A longtime resident of Oak Ridge and son of a former mayor and city councilman, McNees also served on the Oak Ridge Board of Education.

Tim Pendleton, chief building officer for the town of Collierville, was named Code Official of the Year by the Tennessee Building Offi-



Tim Pendleton

cial Association (TBOA). The award is presented at the TBOA annual conference and acknowledges those who have demonstrated outstanding leadership, professionalism, and innovation in the field of code compliance. Before coming to work as a building official in Collierville in 2012, Pendleton served as a plans examiner for the city of Turlock, Calif. He also had various other roles in both municipal and county government. Prior to working in the public sector, Pendleton began his career in architectural drafting.

Baylee Rhea has been selected as the new city clerk for the city of Crossville. Rhea was appointed to the position after previous clerk



Baylee Rhea

Valerie Hale was selected as Crossville's city manager. Rhea previously served as assistant city clerk, a position she has held since 2022. She holds a degree from Tennessee Technological University.

Jack Suggs has retired as deputy city manager of Oak Ridge following a 40year career in public service. Suggs has been Oak Ridge's



Jack Suggs

deputy city manager since 2021. He was initially hired as the city's assistant director of public works and then promoted to electric department director for 30 years. Prior to coming to Oak Ridge, Suggs worked for six years in Wichita Falls, Texas. He holds a bachelor's degree from Texas Technological University and a master's degree from Texas A&M University.

Christopher Tincher, a captain with the Kingsport Police Department, recently graduated from the FBI National Academy in Quantico, Va., as part



Christopher Tincher

of the 289th Session. Tincher joined 200 men and women from 47 states, 23 countries, four military organizations, and five federal civilian organizations. Since its inception in 1935, more than 54,980 public safety professionals have graduated from the FBI National Academy.

Tyler Williams has been selected as the new city recorder for the town of Unicoi. Williams takes over from longtime recorder Debbie



Tyler Williams

Kessler, who retired in December. Williams comes to the town of Unicoi from First Horizon Bank where he worked as a private banker. Williams has a bachelor's degree from Carson-Newman University and a law degree from the University of Tennessee.

Micah Wood has been selected to serve as interim town administrator for Thompson's Station. Wood also presently served as



Micah Wood

Thompson Station's community development director and town planner, a role he has held since 2020. He has previously worked in both the public and private sectors, including with the Knoxville/Knox County Metropolitan Planning Commission, Tennessee Local Planning Assistance Office, Volkert, Inc., and in the cities of Franklin and Columbia. Wood holds a master's degree in urban and regional planning from the University of Tennessee – Knoxville. He is a member of the American Planning Association and serves the vice president of the Tennessee Chapter of the American Planning Association.

## **Public Entity Partners cuts ribbon on risk** management center named for late Jon Calvin



PEP cuts the ribbon on the new Jon Calvin Risk Management Education Center.

Public Entity Partners (PE Partners) held a ribbon-cutting ceremony on April 8, to dedicate the new Jon Calvin Risk Management Education Center.

PE Partners provides insurance and risk management services to more than 90% of Tennessee's municipalities and local public agencies. The education center, which is located within PE Partners' headquarters at 562 Franklin Road in Franklin, may be reserved by organizations with whom PE Partners works for training and other educational needs.

Spring Hill resident Jon Calvin, who passed away in April 2021, spent 40 years in risk and insurance management. The last 11 years of his career were spent with PE Partners, where he served as vice president of underwriting at the time of his

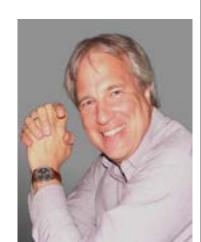
"Not only was Jon a highly beloved member of PE Partners' leadership team, he epitomized the word 'partner' in our organization's name through his strong commitment to our members and

employees," said Michael Fann, president/CEO of PE Partners. "He was a highly gifted individual who dedicated himself to the cities, towns, local service agencies and taxpayers of Tennessee.

"He skillfully used his underwriting and information technology talents to develop and maintain the underwriting system we are privileged to have at PE Partners. We hope that this education center in his name will foster deeper partnerships, collaboration and fellowship with internal and external stakeholders."

The ribbon-cutting ceremony was attended by PE Partners employees and members of its Board of Directors, employees of local government agencies, and Calvin family members and friends.

"Jon set a standard of excellence for kindness, fairness, integrity, respect and humor in our industry and the public sector, and did whatever he could to help his colleagues succeed in their work," said Curtis Hayes, chairman of PE Partners' Board of Directors. "His vision will forever be woven into the culture and service of PE



Jon Calvin

Partners.

"Because of this, we felt it was more than fitting to honor his memory and commend his exemplary service by naming PE Partners' education center after him and making it available to the local governments and organizations we serve."

The Jon Calvin Risk Management Education Center can host up to 80 attendees, and is equipped with A/V capabilities and a kitchenette. The education center's first hosted meeting will take place on May 22 with the Tennessee City Managers Association (TCMA).

For information about reserving the Jon Calvin Risk Management Education Center, please contact Karen Little at KLittle@pepartners.org or by calling 615-371-0593.

# PUBLIC ENTITY PARTNERS

## Chattanooga's Kelly, Jackson's Conger chosen for Mayors Institute on Pedestrian Safety cohort

Chattanooga Mayor Tim Kelly and Jackson Mayor Scott Conger have been selected as part of a cohort of mayors from across the nation to participate in the Mayors Innovation Project's second annual Mayors Institute on Pedestrian Safety.

The program, in partnership with AARP Livable Communities and Smart Growth America, selected 10 mayors from a national competitive application pool of candidates to join this year's co-

The Mayors Institute on Pedestrian Safety (MIPS) aims to help mayors develop their knowledge and skillset to champion safer communities for people of all ages. Participating mayors receive training and resources from top experts in the field, enabling them to make immediate safety improvements on their most dangerous streets.

MIPS Mayors also receive crucial support to build implementation strategies that drive longer-term, systemic changes. Other members of the cohort include:

- Mayor Quinton Lucas, Kansas City, Mo.
- Mayor Lauren McLean, Boise, Idaho



Chattanooga Mayor Tim Kelly

- Mayor Dominick Pangallo, Salem, Mass.
- Mayor Sean Shultz, Carlisle, Penn.
- Mayor Ryan Sorenson, Sheboygan, Wis.
- Mayor Matt Tuerk, Allentown,
- Mayor John Vieau, Chicopee, Mass.
- Mayor Yasmine-Imani Mc-Morrin, Culver City, Calif.

Over the next six months, MIPS members will meet virtually and in-person with national experts and each other to share experiences and identify solutions to their pedestrian safety challenges.



Jackson Mayor Scott Conger

Pedestrian fatalities have been on the rise for nearly a decade in the United States. According to a <u>recent</u> study by the Governors Highway Safety Association, on average 20 people are killed by a moving vehicle every day. The elderly and minority groups, particularly Native/ Indigenous and Black populations, are disproportionately impacted by pedestrian injuries and fatalities.

We are grateful to the JPB Foundation and AARP Livable Communities for their generous support that enables the continuation and expansion of this work. Learn more about this work and our previous cohort at: https://mayorsinnovation.org/mips.

J. R. Wauford & Company, Consulting Engineers, Inc.

# STATE BRIEFS

The Tennessee Department of Economic and Community Development (TNECD) announced Grainger, Polk and Warren counties have been selected to participate in the latest round of the Select Tennessee **Property Evaluation Program** (PEP). PEP evaluates potential industrial properties, advising counties on industrial site improvements and where investments may be most beneficial. Since its inception in 2015, PEP has helped improve the inventory of industrial sites and buildings across the state, with more than 443 sites being reviewed. PEP originates from TNECD's Select Tennessee Certified Site Program. With assistance from site selection firm Austin Consulting, PEP provides participating counties guidance on site planning for future industrial development projects.

Unemployment in Tennessee dropped for the second consecutive month in March, according to new data from the Department of Labor and Workforce **Development.** The seasonally adjusted rate for the month came in at 3.2%, 0.1 of a percentage point lower than February's rate of 3.3%. Tennessee's all-time low unemployment rate is 3.1%, which the state recorded during three months in 2023. Between February and March, 10,600 nonfarm workers started new jobs across the state. A complete analysis of the March 2024 unemployment data is available here.

Tennessee Department of Economic and Community Development Commissioner Stuart C. McWhorter announced the 12 Tennessee communities selected to participate in the ninth round of the Tennessee Downtowns program. The communities selected are Adamsville, Baxter, Byrdstown, Camden, Decatur, Gleason, Jellico, Loudon, McEwen, Munford, Spring City and Wartrace. TNECD provides the Tennessee Downtowns program to communities that want to pursue the Main Street America approach to downtown revitalization. Since its inception in 2010, 78 communities have participated in the Tennessee Downtowns program, and the newly designated communities bring that total to 90.

The Tennessee Department of Environment and Conservation (TDEC) will receive \$156.12 million from the EPA

for a new program aimed at deploying solar infrastructure to low-income households and disadvantaged communities. TDEC was one of 60 applicants selected to receive funding under the \$7 billion EPA Solar for All Competition. The Tennessee Solar for All Program will be administered by the TDEC Office of Energy Programs (OEP). Of the funding awarded, \$400,000 will be awarded as in-kind services provided by the EPA in partnership with the U.S. DOE under the forthcoming National Solar for All Technical Assistance Program.

Gov. Bill Lee has approved \$2.4 million in the state's 2024-2025 Fiscal year Budget to create a new section of the Tweetsie Trail to stretch from Johnson City to Jonesborough. Located on the former railbed of the East Tennessee & Western North Carolina Railroad - nicknamed the Tweetsie – the trail presently stretches around 10 miles between the downtowns of Johnson City and Elizabethton. Cyclists and pedestrians on the path can explore the history of the area, the regional railroad, geology, tree biology, and birding. City officials and local trail users are hoping the increased connectivity of the Tweetsie Trail will encourage more users, especially as an alternative to vehicle traffic between the communities.

The Tennessee Aquarium in Chattanooga was rated the nation's best aquarium in a recent Newsweek poll. Located on the banks of the Tennessee River, the Tennessee Aquarium traces the journey of water from the mountains to the see in its River Journey section while its Ocean Journey completes the experience, showcasing the aquatic biodiversity of the Southeast. The other top 10 aquariums as selected by readers were the Oregon Coast Aquarium in Newport, Ore.; the Georgia Aquarium in Atlanta, Ga.; Mystic Aquarium in Stonington, Conn.; the Seattle Aquarium in Seattle, Wash.; the Audubon Aquarium in New Orleans; the Newport Aquarium in Newport, Ky.; the Monterey Bay Aquarium in Monterey, Calif.; the Shedd Aquarium in Chicago; and the North Carolina Aquarium in Pine Knoll Shores, N.C. The Tennessee Aquarium is currently in competition for another top spot in USA Today's 10 Best Readers' Choice 2024 poll to select the country's best aquarium.

# State officials announce Northeast Tennessee Music Initiative in Bristol



TNECD Commissioner Stuart C. McWhorter joined officials with the Tennessee Entertainment Commission (TEC), Tennessee Department of Tourist Development (TDTD) and the East Tennessee State University Research Corporation at the Birthplace of Country Music in Bristol to announce the Northeast Tennessee Music Initiative. This initiative will bring musicians, venues, music industry professionals and music nonprofits together to gain a better understanding of the needs of the music ecosystem in the region. A survey will be conducted this year to better inform economic developers, help entertainment districts, and aid in strategic planning and development. The region covered by the initiative includes Carter, Greene, Hancock, Hawkins, Johnson, Sullivan, Unicoi, and Washington counties.

# State revenues for March \$17.5M above estimates, but less \$420M for year

Department of Finance and Administration Commissioner Jim Bryson announced that Tennessee tax revenues exceeded budgeted estimates in March.

Overall March revenues totaled \$1.67 billion, which is \$55.1 million, or 3.42% more than the state received in March of 2023 and \$17.6 million more than the budgeted estimate for the month.

"March sales tax revenues, reflecting February consumer activity, recorded solid growth for the month," Bryson said. "Most of the month's tax growth came from retail activity, fuel consumption, and motor vehicle registration which boosted total tax collections and represented a slight rebound from last month's depressed tax receipts. We will continue to monitor economic activity and revenue trends to ensure fiscal stability."

On an accrual basis, March is the eighth month in the 2023-2024 fiscal year.

General fund revenues were \$10.8 million more than the budgeted estimate while the four other funds that share in state tax revenues were \$6.8 million more than the estimates.

Sales tax revenues were \$49.8 million more than the estimate for March and were 6.30% more than

March 2023. For eight months revenues are \$66.1 million less than estimated. The year-to-date growth rate for eight months was 1.56%.

Franchise and excise tax revenues combined were \$23.2 million less than the budgeted estimate in March and the growth rate was negative 6.66%. For eight months, revenues are \$258.9 million less than the estimate and the year-to-date growth rate is negative 9.82%.

Gasoline and motor fuel revenues for March increased by 7.40% compared to March 2023 and were \$6.1 million more than the budgeted estimate of \$85.5 million. For eight months, fuel tax revenues are \$4.1 million more than the budgeted estimate.

Motor vehicle registration revenues were \$1 million less than the March estimate, and through eight months are \$0.6 million more than budgeted.

Tobacco tax revenues were \$4.7 million less than the March budgeted estimate of \$19 million. For eight months, revenues are \$13.9 million less than the year-to-date budgeted estimate.

Privilege tax revenues were \$7.1 million less than the March estimate. On a year-to-date basis, August through March, revenues are \$99.5 million less than the

estimate.

Business tax revenues were \$2.9 million less than the March estimate. For eight months, revenues are \$0.3 million more than the budgeted estimate.

Mixed drink, or liquor-by-thedrink, taxes were \$0.4 million more than the March estimate, and on a year-to-date basis, revenues are \$2.9 million more than the budgeted estimate.

All other taxes were more than budgeted estimates by a net of \$0.2

Year-to-date revenues, August through March, are \$420 million less than the budgeted estimate. The growth rate for eight months is negative 0.40%. General fund revenues are \$430.4 billion less than the budgeted estimate and the four other funds are \$10.4 million more than estimated.

The budgeted revenue estimates for 2023-2024 are based upon the State Funding Board's consensus recommendation from November 28, 2022, and adopted by the first session of the 113th General Assembly in April 2023. Also incorporated in the estimates are any changes in revenue enacted during the 2023 session of the General Assembly. These estimates are available on the state's website.

2,500 or more

1,000 to <2,500

<0 to -1,500

<-1,500 or less

0 to < 1.500

# Familiar names atop Tennessee's list of fastest growing counties in 2023

Population Change in Tennessee, 2022 to 2023

**GROWING,** from Page 1

the state's history.

This year's broad increases were noteworthy when compared to the national level where 60% of counties added population last year. 95% of Tennessee counties grew in 2023. That ranked fourth among all states that included fast-growing Florida and Idaho (Table 2).

The new data also showed another acceleration in the rate of increase among the state's rural counties in 2023. Together they grew at a 1.4% annual rate, adding 37,416 people in one year. That was up from 2022's 1.3% clip. Growth in rural counties has outpaced urban counties each year this decade. But, outright population increases among the state's urban counties (+105,902) remains higher than their counterparts (+94,496).

Wilson (+5,081, 3.2%) and Maury (+2,764, 2.6%) led growth among Tennessee's rural counties. In total, 74 of 78 rural counties gained population in 2023, up from 65 in 2022. Of the four rural counties that lost population last year, one of those (Wayne) was related to shifting prison populations at the Turney Center Industrial Complex and not an outright household population decrease. The other three, Lauderdale, Haywood and Lake counties on the state's western edge, have experienced population declines every year this decade.

Shelby (Memphis), the state's most populus county, lost an additional 6,315 residents in 2023 according to the new figures. That continues a trend that started in

Source: U.S. Census Bureau Population Estimates, 2023

2012 which has shown slow de-saw a population

clines reported in all but one year.

#### Net Domestic Migration Driving Population Increases

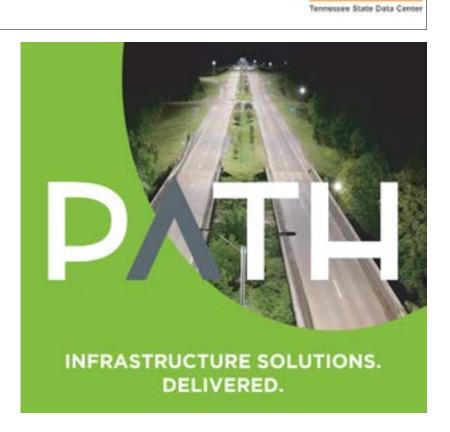
The difference between the number of people moving into and out of a county from other domestic locations, including other Tennessee counties and other states is called net domestic migration. State-level numbers reached a record high of 83,818 people in 2022. Those numbers dipped somewhat in 2023 with 63,471 more people moving into Tennessee counties from domestic locations. An additional net gain of 13,054 people was reported as the result of migration to and from international locations.

Domestic migration was the predominant source of population gains in 88 of the 90 counties that

saw a population increase in 2023.

County which experienced a net domestic migration decline of 3,581 people. The Census Bureau has reported something similar happening in the Tennessee capital every year, with one exception, dating back to 2016. International migration (+4,293) and a natural increase resulting from births outpacing deaths (+4,390), still netted the county an increase of nearly 5,000 people. But this still leaves the county of 712,334 below its reported 2020 Census population of 715,884. Squaring that 3,500 person decrease with the 45,000 housing units that have been authorized across the county between January 2020 and December 2023, remains challenging.

To learn more, visit the Tennessee State Data Center.



## 2024 Session shaped by slowing revenue growth, F&E revelation, school vouchers

sequent to the Governor's budget presentation, the estimated costs of both measures were revised to about \$1.6 billion. The realization of the scope of the liability and its fiscal ramifications led to the sobering reality that the anticipated benefit that was to be derived from the availability of \$1.7 billion in recurring revenues would be negated by the proposed response. As a consequence, the prospects for funding any new initiatives

in 2024 substantially dimmed. The Senate essentially concurred with the Governor's position. However, the House staked out a position that deviated from that of the Governor and Senate. First, the House felt three years of refunds was excessive and preferred a single year. In addition, the House wanted the names of those entities receiving rebates to be published for public consumption. After weeks of discussion, the Senate and House finally reached an agreement on the final day of the session. The agreement includes \$1.55 billion in rebates equivalent to three years of overcollections and another \$400 million to cover the revenue lost this year due to the tax change. The final agreement also requires that the names of all businesses requesting a rebate be publicly posted for a one-month period.

#### **Vouchers**

The third factor that shaped the session was the Governor's introduction of the Education Freedom Scholarship Act, a statewide voucher program. Under this program, Gov. Lee proposed to grant \$7,200 to 20,000 students, regardless of income, to attend private schools. While the governor's proposal was supported by organizations and individuals within and outside the state, the proposal also met with considerable opposition from public school systems, interest groups, organizations and individuals.

The Senate and House Republicans had different approaches from the Administration's plan.

The Senate version of the voucher bill, largely mirrored Gov. Lee's proposal; however, there were a few differences. The Senate version also required those students attending a private school with the assistance of a voucher to take the achievement tests required of public-school students. Additionally, the Senate plan allowed public-school students to enroll in out-of-county public schools.

The House version sought to add several significant measures to soften the opposition, including changes to performance assessments required of public-school teachers and principals. The House proposal also increases the state's contribution to teachers' health insurance as well as enhancing funding for school maintenance. The additions included in the House version produced a price tag around \$400 million for the first year, resulting in a nearly \$300 million difference with the Governor's and Senate's versions.

As the anticipated adjournment neared, neither body had adopted a voucher bill. On April 22, Gov. Lee proclaimed the voucher bill dead for the year, The Governor reiterated that he remained committed to his voucher proposal in 2025. The \$144 billion set aside in the adopted budget to fund first-year costs remains unobligated.

#### State-Shared Sales Tax

It was this second factor, the need to preempt a rush of lawsuits related to the state franchise tax, that negated the anticipated benefit of approximately \$1.7 billion in recurring revenues. As a consequence, the prospects of any new initiatives substantially dimmed.

Among the many initiatives whose promise was effectively dashed by the dimming prospects was the proposal to fully-share the state sales tax collections with municipalities.

This development was extremely frustrating in light of the steady progress that had been made in recent years to lay the groundwork and build support for enactment. Through the relentless efforts of municipal officials working in coordination with our team, the list of House supporters had grown by 60%. In the Senate, the cosponsors had reache 18, which is enough to secure Senate passage.

The SSST initiative was gaining momentum and all signs pointed to the possibility that 2024 would be the year that full sharing was adopted. Then, what had seemed to be the most promising outlook for enactment of the League's SSST initiative to date all but vanished with the revelation of the F&E issue and the need to commit all of the recurring funds in Fiscal Year 2024-2025 to fend off lawsuits.

The sudden unavailability of the necessary funds to ensure the restoration of the historic sharing relationship between the state and its municipalities was certainly an unforeseen and unfortunate development. However, the commitment of \$1.7 of recurring revenues to fund refunds was for this year, alone. As such, the majority of these revenues will be available for programming in the Fiscal Year 2025-2026 budget.

#### **Property Tax Cap**

The most significant of all the bills affecting municipalities was the legislation seeking to impose a cap on local property tax rates. A property tax cap is wholly unnecessary. Tennessee's municipal leaders are fiscally responsible and good stewards of local tax dollars. Municipal property taxes are already among the lowest in the nation. A property tax cap will also increase borrowing costs borne by taxpayers, limits flexibility to respond to changing economic situations and other unforeseen needs, and adversely affect the services and quality of life enjoyed by municipal residents. For these reasons, TML actively opposed this legislation.

The effort featured two separate bills. The first of these bills was initially championed by the Beacon Center and introduced last year. This bill was sponsored by Sen. John Stevens (SB171) and Rep. Chris Todd (HB565). The legislation sought to prohibit a local government from enacting an increase in the property tax rate that results in a year-over-year growth in property tax revenues that exceeded inflation plus two percent or that exceeded inflation plus six percent over the three most recent years, unless approved by

the voters at referendum.

The second bill was also sponsored by Sen Stevens (SB2248) as well as Rep. Ryan Williams (HB1968). Under the amended bill, local governments are prohibited from levying a property tax

at a rate that produces an annual increase in property tax revenues in excess of 5%. This cap is not absolute as the bill allows revenues associated with new properties and improvements as well as debt service payments related to general obligation bonds to be excluded from the 5% limit. The bill also provided a limited exception to the 5% limit for capital projects. Under the exception, a local government could exceed the limit to fund capital projects for a period of up to four years, provided the levy was approved at referendum. In this case, the referendum could not be utilized to exceed the 5% cap for any reason other than to fund capital projects for four years.

If enacted, these proposals

- adversely affect municipal credit ratings and expose municipalities and residents to legal and financing consequences.
- hinder municipalities ability to respond to fiscal challenges and to maintain a stable financial position.
- alter essential services and delay maintenance of infrastructure and new construction.
- impair local governments' ability to meet contractual requirements or satisfy federal requirements and state maintenance of effort, risking fines and penalties, loss of shared revenues or eligibility for grants and low-interest loans.

It is important to note that in addition to these universal concerns related to the imposition of a cap, there are additional, specific concerns pertaining to the second bill. For example, the Stevens-Williams bill does not exclude inflationary effects. Therefore, new revenues required to offset the effects of inflation on the current level of services and expenses each year would count against the cap. Additionally, the exclusion for debt service payments only applies to bonds. Debt service payments payments related to loans, capital outlay notes or other contractual obligations would count against the cap.

#### BILLS AFFECTING MUNICIPALITIES

While three factors commanded the attention of legislators and dominated media coverage, the General Assembly considered hundreds of bills on unrelated subjects.

A total of 1,415 bills were filed this session. The League's legislative team identified 650 of these that either directly affected or had the potential to directly affect municipalities. Of these 650, our team identified 140 bills pertaining to either education, criminal penalties or criminal procedures that did not affect municipal authority, municipal operations, or municipal revenues. This left a total of 410 bills that either directly affected or had the potential to directly affect municipalities. Of these 410 bills, 281 were considered by at least one committee in either the House or Senate during the session.

This summary does not attempt to detail the specific content or address the happenings surrounding each of the 281 bills relating to municipalities considered by the General Assembly this year. Instead, the summary is focused on highlighting the issue areas most frequently entertained by the General Assembly.



#### **Finance and Taxation**

A number of bills affecting municipal revenues and taxing authority, other than the aforementioned property tax cap legislation, were considered this session. Among those bills considered were other bills targeting the local property tax, including a Comptroller-led effort to allow local governments to reduce the reappraisal cycle. Another bill considered sought to cap the combined city and county levy on overnight lodging stays and to impose additional audit requirements and obligations pertaining to the use of hotel-motel tax revenues. Also considered were bills related to the local-option sales tax and local development taxes.

#### **Land Use**

Over the last decade, Tennessee has continued to experience consistent growth in population as individuals and families have chosen to relocate to Tennessee. This trend is evident in the fact that Tennessee continues to be among the nation's leaders in migration, ranking fifth of all states in 2023. While some areas of the state have realized more growth than other areas, the vast majority of the state is experiencing some population growth as demonstrated by the fact 90 of the state's 95 counties realized an increase in population last year. The steady influx of individuals and families relocating to Tennessee has precipitated conflict between those seeking to preserve Tennessee and the obvious need to house and serve the new inhabitants. The need to expand services has also strained budgets and led to heated debates about how the cost of expansion should be funded. The issues related to growth have kept land use and related authorities the focus of legislation.

#### Housing

Conditions and challenges routinely associated with insufficient inventory of housing, supply chain difficulties, and high interest rates are only amplified under sustained periods of migration such as we have experienced in Tennessee. The inability of young couples, seniors, working professionals and public sector employees to find homes they can afford to purchase or rent has led to the call for more affordable or attainable housing. Housing is complex and multi-faceted. Solutions are often evasive. When a solution is identified, its effect is typically limited and not necessarily transferable to other locations or situations. Nevertheless, the frustrations voiced by Tennesseans regarding the difficulties encountered when trying to purchase or rent a home have reached elected officials. In response, legislators have filed legislation seeking to allow local government to offer incentives or to facilitate investment to spur development of attainable housing. Other bills offered a new twist on a familiar subject, seemingly intending to take advantage of the momentum to recast previously rejected ideas to restrict local regulatory authority as housing initiatives. Supporters of such efforts argued that the secret to more affordable housing prices lie in the elimination or limitation of local development and building requirements that are driving up housing costs.

#### **Public Safety**

Legislators considered a number of proposed laws altering state law and ordinances impacting municipalities. Some proposed to preempt existing authority, while others proposed to impose additional requirements upon municipalities. The substance of these bill included subjects such as mutual aid, notification of immigration status, concurrent jurisdiction, firearms, and traffic violations.

#### Elections

Last year, our end of session report noted a significant increase and shift in the intent of bills relating to municipal elections. This theme continued into this year as a number of bills affecting municipal elections or relating to candidates for municipal office were filed. Fortunately, none of these bills were enacted. However, the recurrence of legislation in this area is worrisome and worthy of monitoring going forward.

#### Open Meetings and Public Records

Generally, a number of bills are considered each year that seek to amend the open meetings laws or alter the statutes governing public records. This year, we've chosen to include this issue in the summary because it marked an exception to the norm, as very few bills addressing either subject were considered. The few considered attempted to change public notice requirements, clarify the "two or more" standard for meetings, and make certain CMFO materials are confidential.

#### Miscellaneous

A number of select bills do not fit neatly into the categories highlighted above. The proposed laws considered that are encompassed in this category involve efforts to address depreciation requirements related to water and wastewater improvements. In addition, the legislature considered initiatives regarding local governments' authority to make bulk fuel purchases, cybersecurity events, energy infrastructure improvements, and grants associated with United Nations Agenda 21 plan.

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NATIONAL BRIEFS

There are billions of

dollars of infrastructure

funding available directly

to local governments of

all sizes, but many small

communities don't have the

staff or expertise to apply for

tional League of Cities

(NLC) and the Local Infra-

structure Hub come in: free

training programs to help

municipal staff learn how to

This is where the Na-

federal funding.



The U.S. Economy grew at a rate of 1.6% in the first quarter, a slower rate than last year. Gross domestic product had grown at a rate of 3.4% in the final quarter of 2023, according to the Commerce Department. Consumer spending remained strong with the weaker numbers driven more by big shifts in business inventories and trade. The lower numbers may also be a sign that the Federal Reserve has succeeded in cooling off the economy. However, the fight against inflation has somewhat stalled with prices rising more quickly in the first quarter of 2024 than during the last quarter of 2023. This could be a sign that high interest rates are not fully taming inflation.

Police departments across the U.S. are reporting an increase in hirings for the first time since the beginning of the COVID-19 pandemic. More sworn officers were hired in 2023 than in any of the previous four years while resignations have dropped by 20% in the same period. The data was collected from a survey of 214 law enforcement agencies conducted by the Police Executive Research Forum (PERF). Medium and small departments in particular had more sworn officers than in January 2020, but larger departments tend to remain around 5% below their staffing from that same period. The survey also indicated that departments with 50 officers or fewer are still struggling with a higher rate of resignations and retirements, with officers potentially leaving for departments that are

Free grant-writing trainings to help small

cities secure federal infrastructure funding

put together winning grant appli-

perience is necessary - these

trainings are specifically de-

signed for small cities, towns,

and villages. In fact, most of the

past participants have been from

communities with populations

under 10,000. Communities that

have participated in the trainings

have already secured more than

\$203 million – with more being

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No prior grant-writing ex-

cations in key areas.

larger or can afford better pay. Many larger departments have increased officer pay and incentives for experienced officers willing to transfer. Other departments are re-examing hiring and application requirements, making changes such as allowing visible tattoos, reweighing the importance of past financial issues, and faster background check processing.

The U.S. economy added 175,000 jobs in April, a slowdown in hiring, as the unemployment rate ticked up 3.9%. Layoffs remain low and most sectors appear stable, which economists said is a sign the economy is still strong. Wag growth moderated to 3.9% over the same time last year. Large hiring numbers in the previous two months may also be why hiring decreased in April.

The next round of free

trainings starts on May 20,

focused on grants related to:

bridge improvements, recon-

necting communities divid-

ed by highways, cleaning up

brownfield sites, improving rail

crossings and rail safety, and

improving solid waste infra-

enroll by May 15. To enroll

and learn more, visit: https://

localinfrastructure.org/applica-

If you're interested, please

structure for recycling.

tion-bootcamp/.

# **FESTIVALS**

#### May 17-18: Cross Plains

Kilgore Station Bluegrass Festival Enjoy classes and contests for fiddling, clogging, beginner instrumental performance, and the Big Barn Dance on Friday night.

#### May 17-18: Sevierville

Bloomin'BBQ Music & Food Festival Enjoy toe-tapping tunes, devouring the nation's best BBQ and the sights and sounds of one of the southeast's top festivals.

#### May 17-18: Wartburg

Tennessee Mountain Laurel Festival Spring has sprung on the Cumberland Plateau for the 9th anniversary of the festival held on the Courthouse Square.

#### May 18: Unicoi

Wayne Scott Strawberry Festival

n honor of founder of Scott's Farms, Wayne Scott, the festival is a celebration of community spirit and neighborly support.

#### May 18-19: Greeneville

Greeneville Iris Festival

The Iris Festival features arts, crafts, merchandise, food, and entertainment from across the region and is a juried arts/crafts festival.

#### May 18-19: Townsend Smoky Mountain Scottish Festival

Mountain Scottish Festival and Games is Tennessee's oldest festival of Scottish, Irish and Celtic culture.

Be ready for great music, great food,

and fun at this two-day festival cele-

Celebrating its 42nd year, the Smoky

#### May 25-26: Brownsville Exit 65 Blues Festival

brating the Blues and blues pioneers.

June 1: Athens National Moofest

National MooFest is a celebration in honor of the community's rich dairy industry.

#### **June 1-2: Lenoir City** 61st Annual Arts and Crafts Festival

More than 180 vendors will showcase a variety of arts and crafts.

#### Tennessee River Jam

Tennessee River Jam is rockin' the

**June 1: Red Boiling Springs** 

#### Folk Medicine Festival Coming together to celebrate the restorative power of nature

shores of the Tennessee River.

June 4-8: Ashland City

Summerfest is a yearly 4-day festival held at the 20-acre Riverbluff Park along the Cumberland River.

#### June 8: Pulaski SunDrop Festival

Experience the essence of Historic

Downtown Pulaski at the SunDrop

#### Celebrating diversity through the arts in Smyrna's Historic Depot District.

June 8: Smyrna

June 15: Bell Buckle

Simply Smyrna Celebration

event celebrates the South's original fast food



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Ed Stewart, ChFC, CLU, CF **Financial Advisor** 

# Municipalities honor fire service for International Firefighters Day



Members of the Tusculum Fire Department battle a blaze in the community.



Cookeville firefighters undergo hazardous materials training.



Paris firefighters participate in a training class to learn how to perform extrications on a school bus.



The Goodlettsville Fire Department creates a wonderland of bubbles for local kids.

Spring Hill Firefighters assist Public Works crews in repairing the clock tower atop Spring Hill City Hall.





The Collierville Fire Department teaches participants in Leadership Collierville how to put out different types of fires and use a fire extinguisher.



The Morristown Fire Department battles a blaze set by an arsonists downtown.







Above: Members of the Cleveland Fire Department who participated in the 9/11 Memorial Stair Climb in Nashville. The 9/11 Memorial Stair Climbs 9/11 Memorial Stair Climbs honor FDNY firefighters who made the ultimate sacrifice and raises money for the National Fallen Firefighters Foundation to create and maintain programs that support fire service survivors.

Top Left: Sully the Dalmatian aids members of the Savannah Fire Department in educating students at Parris South Elementary.

Bottom Left: Members of the Greeneville Fire Department participate in extrication training.