RESOLUTION 2026-04

A RESOLUTION AUTHORIZING THE CITY MANAGER AND CITY ATTORNEY TO ENGAGE WITH THE METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY REGARDING RECOVERING THE CITY'S SHARE OF LOCAL OPTION SALES TAX REVENUES AND TO EVALUATE THE RECOVERY OF PRIOR AMOUNTS THAT MAY HAVE BEEN WITHHELD.

WHEREAS, the State of Tennessee imposes a local option sales tax pursuant to Tenn. Code Ann. § 67-6-701 et seq., a portion of which is required to be allocated for public school purposes, with the remaining portion to be distributed among local governmental jurisdictions within a county in accordance with applicable law; and

WHEREAS, the City of Belle Meade (the "City") historically participated in an arrangement pursuant to which its share of local option sales tax revenues was retained by the Metropolitan Government of Nashville and Davidson County ("Metro") for public school purposes; and

WHEREAS, this arrangement was extended by the City on a year-to-year basis through resolutions adopted in 1970, 1971, and 1972; and

WHEREAS, in 1984, the City adopted Resolution No. 1984-03B terminatiing prior agreements relating to such arrangement and providing that the City would retain its share of local option sales tax revenues *(see* Exhibit 1, attached); and

WHEREAS, the City has not identified any subsequent agreement or resolution reinstating the prior a1rnngement following the adoption of Resolution No. 1984-03B; and

WHEREAS, based on the City's review of available records, the City has not received distributions of local option sales tax revenues for a substantial period of time, possibly since 1984; and

WHEREAS, the City has been advised that the other satellite or smaller cities within Metro are currently receiving such distributions and have for some time; and

WHEREAS, the City has been advised that Metro's Director of Finance administers the remittance of such revenues; and

WHEREAS, the City wishes to confirm its entitlement to such revenues, to ensure proper distribution on a going-forward basis, and to evaluate whether prior amounts may be due to the City;

NOW THEREFORE, BE IT RESOLVED BY THE BOARD OF COMMISSIONERS OF THE CITY OF BELLE MEADE, TENNESSEE, AS FOLLOWS:

SECTION 1.

The City Manager is hereby authorized and directed to engage in discussions with the Metropolitan Government of Nashville and Davidson County, including the Director of Finance and other appropriate officials, to:

A. determine the basis upon which local option sales tax revenues have been allocated and remitted within Davidson County since 1984;

B. confirm the City's entitlement to receive a share of such revenues; and

C. facilitate the commencement or resumption of distributions of such revenues to the City on a going-forward basis.

SECTION 2.

The City Attorney is hereby directed to assist the City in connection with these matters, including advising the City regarding applicable law, assisting with communications and negotiations, and evaluating potential administrative or legal remedies if necessary.

SECTION 3.

The City Manager, with the assistance of legal counsel and the City finance director, is authorized to investigate and quantify local option sales tax revenues that may not have been distributed to the City in prior periods and to evaluate the feasibility and advisability of seeking recovery of such amounts, including, but not limited to, amounts potentially attributable to periods beginning in or around 2018.

SECTION 4.

Nothing in this Resolution shall be construed as a waiver of any rights or claims of the City or as a determination of the City's legal entitlement to any specific amount of revenue.

SECTION 5.

This resolution shall take effect from and after its passage, the general welfare of the City of Belle Meade, Tennessee requiring it.

Date of Adoption: April 15, 2026

Rusty Moore, Mayor

Rusty Terry, City Recorder