

**RESOLUTION #2 IN REGARDS TO
DISTRIBUTION OF PREVIOUSLY COLLECTED LIQUOR TAX**

March 13, 2014

WHEREAS, the Bradley County School Board did pass a Resolution dated December 18, 2013 regarding the distribution of a tax of fifteen percent (15%) on the sale of alcoholic beverages for consumption on the premises pursuant to T.C.A. 57-4-301, et seq; and,

WHEREAS, Paragraph 3 of the Resolution authorized the Executive Committee of the School Board along with Attorney James F. Logan, Jr. to request a meeting with the Cleveland City Manager and the Cleveland City Council to attempt to reach a resolution of the issues regarding the distribution of the previously collected liquor tax and the division of the revenue received from said tax in the future; and,

WHEREAS, the Cleveland City Manager and the Cleveland City Council did not deem a meeting with the Executive Committee of the School Board to be needed; and,

WHEREAS, The Executive Committee and Attorney James F. Logan, Jr. again requested that the City of Cleveland meet with and attempt to resolve any issues existing regarding the distribuiton of the aforesaid tax; and,

WHEREAS, on February 10, 2014 the Cleveland City Council unanimously approved a motion to table this issue for 120 days; and,

WHEREAS, on February 26, 2014 the Attorney General of the State of Tennessee issued opinion No. 14-22 which states clearly that “the county school board does not have the authority to waive its statutory right to receive liquor-by-the-drink taxes;” and,

WHEREAS, the Bradley County School Board represents all residents of Bradley County and the City of Cleveland and treats the financial resources of this community with the highest level of stewardship. The Bradley County School Board has also acted in good faith to avoid costly legal fees borne solely by the tax payers of Bradley County and the City of Cleveland and the distraction that litigation will inevitably create; and,

WHEREAS, the Bradley County School Board recognizes its responsibilities to the Bradley County School System and to ensure that the Bradley County School System receives such funds as are provided by law, and reaffirmed by the attorney general’s opinion No. 14-22, for use in providing the highest quality education to students of the Bradley County School System; and,

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WHEREAS, funding is an integral part of the ability of the Bradley County School Board to provide educational services to the students of the Bradley County School System; and,

WHEREAS, when disputes arise regarding the interpretation, meaning and enforceability of the laws of the State of Tennessee, it is appropriate for the parties to the dispute to request assistance of the courts in ascertaining the meaning and enforceability of the laws of the State of Tennessee;

WHEREAS, time is of the essence to resolve all methods of legal recourse of either the City of Cleveland or the Bradley County School Board in consideration of current monthly payments from the Bradley County School Board to Cleveland City Schools.

NOW, THEREFORE, BE IT RESOLVED:

The Bradley County School System by and through the Bradley County School Board authorizes and requests the law firm of Logan-Thompson, P.C. to take such steps as are necessary to request a judicial ruling as to the meaning and enforceability of those provisions of state law which require that the liquor tax be distributed in like manner to the County property tax for schools is expended and distributed.

Vicki Beaty, Board Chairwoman

Johnny McDaniel, Director of Schools