

F.A.Q. about City-County Government Consolidation

DEFINITIONS

A **metropolitan government** is created when all or some of the political and corporate functions of a county and a city (or cities) are consolidated. In this instance, it's the merger of the City of Memphis and Shelby County governments.

A 15-member **Charter Commission**, appointed by Mayor AC Wharton, wrote the charter for the proposed consolidated government.

The **consolidation referendum** will be November 2. It is considered separately by the voters of Memphis and the voters outside the city of Memphis (Bartlett, Germantown, Arlington, Collierville, Lakeland, Millington and unincorporated Shelby County together). It must pass in each area to be approved. If it fails in either place, the metro government proposal is rejected.

The **general services district** covers the entire metro government area, all of Shelby County— Memphis, the suburbs and unincorporated areas.

The **urban services district** covers the area in which municipal type services are overseen by the metro government, in this instance, the city of Memphis.

Special services districts are areas outside the urban services district that are furnished with municipal-type services by the metro government.

The **transition commission** is composed of the Memphis mayor and Shelby County mayor, two present or past city council members, two present or past county commissioners, four citizens appointed by the city mayor and five citizens appointed by the county mayor. It has two years to prepare a plan for the transition.

HOW DOES METRO GOVERNMENT DELIVER SERVICES?

Metro government has two basic tiers of service.

Urban services are like city services. People in Memphis receive ambulance, fire, police, parks, garbage collection, libraries, MATA, sewer systems, street lighting and cleaning services.

General services encompass services customarily provided by county government: courts, school funding, incarceration, county tax collection, some licensing, the constitutional offices and health department.

However, the charter adds or blends numerous City of Memphis services onto the general services district: economic development, community development and redevelopment, road/bridge/traffic planning and construction, public works, all of government administration, public assembly facilities, city permitting, legal counsel, city court, code enforcement and tax collection for the urban services district.

The decision about what services fit into which tier was made by the charter commission. In the future, a 2/3 vote (17 of 25) of the new metro council can transfer other urban services onto the general services district.

A third tier, the **special services district**, allows the metro government to provide city-level services to areas outside the urban district.

Germantown and the other five suburban cities remain autonomous, continuing to provide their own municipal services and to receive services they previously got from county government.

WHO PAYS FOR METRO GOVERNMENT?

There are two metro government tax rates:

The general services district rate is paid by all property owners in Memphis, the suburbs and unincorporated areas. The urban services district rate is paid by Memphis property owners. Suburban residents pay their own city's property tax plus the general services rate. Taxes or fees for special services are paid by the people in the areas receiving special services. The charter keeps Memphis debt with the urban district and Shelby County debt with the general services district.

WILL CONSOLIDATION REDUCE TAXES?

The charter caps the property tax rate for the first three years, using as a base the rates set by the city council and county commission for the fiscal year beginning July 1, 2014. To avoid a tax rate increase the first three years, the charter directs the metro council to reduce expenditures. After that, it takes a three-fourths majority (19 of 25 votes) to raise taxes by more than 5 percent a year.

The charter in and of itself does not reduce taxes. That decision is made by the metro council, taking into consideration revenues, expenses and service levels. A tax rate adequate to cover debt retirement in the two districts is additional to all other taxes.

HOW IS IT GOVERNED?

A new 25-member Memphis Shelby County Metropolitan Government Council replaces the Memphis city council and Shelby county commission. The entire county is divided into 13 single-member districts, overlaid with 4 multimember districts each sending 3 persons to the council. The mapping gives the suburban and unincorporated areas 7 council positions. Minimum age for council members is 18 years.

One mayor is elected. He/she has veto power and authority to sign contracts up to .05 of 1% of the annual operating budget without council approval. Mayoral appointments of department directors and lead staff must have professional qualifications and must be approved by the council. Mayoral candidates must be age 21.

Council members and the mayor serve four-year terms and are limited to two consecutive terms. The five constitutional offices—sheriff, trustee, assessor, clerk and register—remain. Elections fall under state law. Some of the functions of the officers change. The sheriff is responsible for incarceration, court and warrant service. All law enforcement (patrolling and investigation) duties are assigned to the metro government police. The trustee collects taxes for both the general services and urban services districts.

WHAT ABOUT THE SCHOOL SYSTEMS?

The charter does not consolidate the two public school systems. If both school boards request consolidation, the metro council must propose a charter amendment, then put to referendum of all Shelby County voters. Aside from the charter and metro government, there are other ways for school consolidation to occur.

Financially, metro government establishes the general services tax to be the single-source funder of both systems. Revenues continue to be split on an average daily attendance basis. If metro picks up what Memphis has been contributing separately to Memphis schools and adds a proportionate share for Shelby County schools, those costs would be extra on the current county tax rate for public schools.

IS METRO GOVERNMENT MORE EFFICIENT?

All city and county personnel covered by Civil Service and/or union agreements initially retain employment with metro government. The transition commission's reorganization plan includes designation of employment positions and responsibilities. The plan is recommended to the new metro council when it takes office September 1, 2014. The council must adopt the plan, with or without its own amendments, within 60 days.

WILL IT ATTRACT NEW BUSINESSES AND INDUSTRY?

Economic development is conducted by a single department. The industrial development board continues. Some factors impacting the decision of companies interested in relocating or growing here --such as crime rates and public education--are not addressed by the charter.

WHERE IS THE COMPLETE CHARTER?

The proposed charter addresses a variety of other structural and governance issues. The complete document is available at www.shelbycountyttn.gov. Go to "In the Spotlight" and select Metro Charter Document.

GERMANTOWN BOARD OF MAYOR AND ALDERMEN POSITION

The Board of Mayor and Aldermen last November unanimously approved a resolution of opposition to consolidation.

TOWN HALL MEETING

The Germantown Board of Mayor and Aldermen will host a town hall meeting about consolidation on Monday, October 4, at 7 p.m. at the Performing Arts Centre, 1801 Exeter Road. Designated spokesmen will present proponent and opponent positions; each side will be allowed 20 minutes.

Citizens will then be invited to a microphone to ask questions or comment; each person will have two minutes to speak.