

ORDINANCE NO. 2016-09  
AN ORDINANCE ADOPTING THE ANNUAL BUDGET AND CAPITAL  
PROGRAM AND TAX RATE OF THE CITY OF FAYETTEVILLE,  
TENNESSEE FOR FISCAL YEAR 2017,

Whereas, the budget process is one of the most important activities undertaken by governments for the public welfare, the budget process being used to make program, service and capital decisions and allocate scarce resources to programs, services and capital;

Whereas, the financial plan developed in this process being the document to communicate the plan the Board of Mayor and Aldermen has decided to implement for the coming fiscal year;

Whereas *Tennessee Code Annotated* Title 9 Chapter 1 Section 116 requires that all funds of the State of Tennessee and all its political subdivisions shall first be appropriated before being expended and that only funds that are available shall be appropriated;

Whereas, the Municipal Budget Law of 1982 requires that the governing body of each municipality adopt and operate under an annual budget ordinance presenting a financial plan with at least the information required by that state statute, that no municipality may expend any moneys regardless of their source except in accordance with a budget ordinance and that the governing body shall not make any appropriation in excess of estimated available funds;

Whereas as the Board of Mayor and Aldermen held a hearing where the City Administrator submitted the proposed budget and capital program on June 14, 2016 at 5:00 pm in a regular meeting of the Board of Mayor and Aldermen and following the hearing, the Board considered final passage of the proposed budget;

Whereas, *Tennessee Code Annotated* Title 6 Chapter 56 Section 206 requires that the Board of Mayor and Aldermen publish the annual operating budget and budgetary comparisons of the proposed budget with the prior year (actual) and the current year (estimated) in a newspaper of general circulation not less than ten (10) days prior to the meeting where the governing body will consider final passage of the budget, and said budget was published on May 25, 2016 in *The Elk Valley Times*;

Now, therefore be it ordained by the Board of Mayor and Aldermen of the City of Fayetteville, Tennessee, that:

Section 1: **REVENUES.** The following is a list of funds available for appropriation. Any portion of the fiscal year 2016 appropriations remaining unexpended and unencumbered shall be credited to the general fund, except that any balance remaining in any other fund at the end of the fiscal year may remain to the credit of that fund and be subject to further appropriation in accordance with *Tennessee Code Annotated* Section 6-56-211.

Details of these revenues and other sources of funds are shown in the detailed financial plan attached.

FUND NAME	FISCAL YEAR 2015	FISCAL YEAR 2016	FISCAL YEAR 2017	EST. FUND BALANCE 07/01/16	AVAILABLE FUNDS
General Fund					
Current Taxes	\$ 8,361,228	\$ 8,449,075	\$ 8,660,568		
Delinquent Taxes	64,743	47,000	45,000		
Nontax Revenues	1,253,123	1,401,252	1,365,563		
State Street Aid:					
Street Repair	26,164	19,000	13,500		
Street Lighting	166,791	175,000	180,000		
<i>TOTAL GENERAL FUND</i>	\$ 9,872,049	\$ 10,091,327	\$ 10,264,631	\$6,663,952	\$ 16,928,583
Drug Fund	27,067	17,020	11,015	47,652	\$ 58,667
Refuse Collection Fund	697,611	535,700	530,725	\$733,633	\$ 1,264,358
CDBG Loan Fund	15	10	10	49,605	\$ 49,615
UDAG Loan Fund	126	100	100	405,878	\$ 405,978
Grant Fund	-	70,000	242,000	-	\$ 242,000
Debt Service Fund	2,315,104	317,120	370,092	\$309,547	\$ 679,639
Industrial Park	17	20	10	45,627	\$ 45,637
Capital Projects	2,432,712	578,850	442,200	953,550	\$ 1,395,750
Landfill Fund	88,566	300,000	125,000	(313,313)	\$ (188,313)
General Purpose School Fund	\$10,231,568	\$11,032,037	\$11,460,389	\$2,690,176	\$ 14,150,565
<i>TOTAL ALL FUNDS</i>	\$ 25,664,835	\$ 22,942,184	\$ 23,446,172	\$ 11,587,807	\$ 35,033,979

**SECTION 2: APPROPRIATIONS.** The governing body appropriates from these anticipated revenues and unexpended and unencumbered funds the following expenditures for fiscal year 2017:

FUND NAME	FISCAL YEAR 2015	FISCAL YEAR 2016	FISCAL YEAR 2017	EST. FUND BALANCE 6/30/17
General Fund				
General Government	\$ 1,371,959	\$ 1,524,625	\$ 1,508,985	
Public Safety	4,128,953	4,374,272	4,608,403	
Public Works	1,769,329	2,050,894	2,229,145	
Health & Welfare	735,749	805,609	837,276	
Debt Service	290,740	317,030	370,002	
Education	801,205	824,640	865,096	
Capital Projects	457,795	500,000	200,000	
<i>TOTAL GENERAL FUND</i>	\$ 9,555,730	\$ 10,397,070	\$ 10,618,907	\$ 6,309,676
Drug Fund	63,292	97,728	54,323	4,344
Refuse Collection Fund	384,963	503,631	619,623	644,735
CDBG Loan Fund	-	45,590	49,609	6
UDAG Loan Fund	-	1,000	1,000	404,978
Grant Fund	-	70,000	242,000	-
Debt Service Fund	2,316,505	317,782	370,002	309,637
Industrial Park	70,544	-	9,700	35,937
Capital Projects	670,818	2,963,555	473,005	922,745
Landfill Fund	88,467	301,500	126,200	(314,513)
General Purpose School Fund	\$11,000,613	\$11,677,119	\$11,593,584	2,556,981
<i>TOTAL ALL FUNDS</i>	\$ 24,150,932	\$ 26,374,975	\$ 24,157,953	\$ 10,876,026

Details of these appropriated expenditures are shown in the detailed financial plan attached.

**SECTION 3: STATEMENT OF INDEBTEDNESS.** The Board of Mayor and Aldermen recognizes that the municipality has bonded and other indebtedness and includes a statement of this indebtedness.

STATEMENT OF BONDED OR OTHER INDEBTEDNESS	DEBT REDEMPTION (Principal)	INTEREST REQUIREMENTS	DEBT AUTHORIZED AND UNISSUED	CONDITION OF SINKING FUND
General Obligation Bond Series 2014	\$ 80,000	\$ 54,800		
General Obligation Bond Series 2013A	\$ 215,000	\$ 150,700		
General Obligation Bond Series 2013B	\$ 40,000	\$ 32,983		
General Obligation Bond Series 2009	\$ 115,000	\$ 45,619		

Appropriations of \$734,102 from the Debt Service Fund, have been included and authorized for the payment of current debt obligations and any planned debt obligations for the coming fiscal year. Details of the debt services requirements are shown on in the detailed financial plan.

**SECTION 4: CAPITAL IMPROVEMENT PROGRAM.** During the coming fiscal year the Board of Mayor and Aldermen has planned for the following capital projects and has included a statement listing these capital projects and the sources of financing for these projects:

STATEMENT OF PROPOSED NEW CAPITAL PROJECTS	PROPOSED FINANCING BY APPROPRIATIONS	PROPOSED FINANCING BY DEBT
		\$ -
Greenway Project	\$315,000	\$ -
Fencing Lions Club Park	\$8,000	\$ -
Municipal Building Outside Lighting	\$8,000	\$ -
Update Municipal Building	\$15,000	\$ -
Replace Public Works Building Roof	\$35,000	\$ -
Replace Recreation Center Electrical Box	\$3,000	\$ -
Two Police Tahoes	\$47,500	\$ -
Playground Equipment - William Battle Park	\$15,000	\$ -
Three Administration Computers	\$4,500	\$ -
Ice Machine	\$4,300	\$ -
Soccer Equipment	\$8,000	\$ -
Lawn Mower	\$4,300	\$ -
Recreation VOIP Phone	\$5,405	\$ -

Details of capital projects to be implemented in the coming fiscal year including sources of financing are in the detailed financial plan attached.

**SECTION 5: BUDGET CONTROL.** At the beginning of each quarterly period during the fiscal year and more often if required by the Board of Mayor and Aldermen, a report shall be submitted showing the relation between the estimated and actual revenues and other sources of funds and expenditures to date. At any time it is determined that revenue is not meeting estimates, the City Administrator may impound appropriations to ensure expenditures do not exceed revenues.

**SECTION 6: EXCESS APPROPRIATIONS PROHIBITED.** No appropriation listed above shall be exceeded without an amendment of the budget ordinance as required by the Municipal Budget Law of 1982 *Tennessee Code Annotated* Section 6-56-208 and Section 9-1-116. In addition, no appropriation may be made in excess of available funds except to provide for an actual emergency threatening the health, property or lives of the inhabitants of the municipality and declared by a two-thirds (2/3) vote of at least a quorum of the Board of Mayor and Aldermen in accord with Section 6-56-205 of the *Tennessee Code Annotated*. The budget and capital program budget ordinance may be amended in the same manner as any other ordinance may be amended.

**SECTION 7: TRANSFER OF MONEY.** Money, not to exceed \$5,000, may be transferred from one appropriation to another in the same fund by the City Administrator as allowed by Section 6-56-209 of the *Tennessee Code Annotated*. Any resulting transfers shall be reported to the governing body at its next regular meeting and entered into the minutes.

SECTION 8: **BUDGET DETAIL.** A detailed financial plan will be attached to this budget and become part of this budget ordinance. In addition, the published operating budget and budgetary comparisons shown by fund with beginning and ending fund balances and the number of full time equivalent employees required by Section 6-56-206, *Tennessee Code Annotated* will be attached.

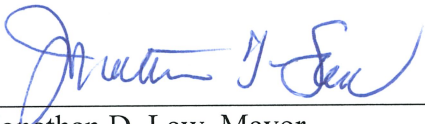
SECTION 9: **DIRECTOR OF LOCAL FINANCE BUDGET APPROVAL.** This ordinance will not be the official budget of the City of Fayetteville until it is approved by the Director of the Division of Local Finance in the Office of the Comptroller of the Treasury as required by *Tennessee Code Annotated* Section 9-21-403. The City of Fayetteville may operate under this ordinance as a continuation budget until the Director's approval has been obtained as long as operating expenditures do not exceed available funds and cash receipts during the continuation budget period and all outstanding debt service is paid.

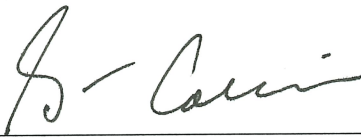
SECTION 10: **TAX RATE.** The City of Fayetteville's fiscal year 2017 tax rate for real property shall be \$1.65 per each \$100 of assessed value.

SECTION 11: This ordinance shall take effect July 1, 2016, the public welfare requiring it. All ordinances or parts of ordinances in conflict with any provision of this ordinance are hereby repealed.

June 14, 2016

Date

  
\_\_\_\_\_  
Jonathan D. Law, Mayor

  
\_\_\_\_\_  
Gregory Scott Collins, City Administrator