

ORDINANCE NO. 2017-03
AN ORDINANCE ADOPTING THE ANNUAL BUDGET AND CAPITAL
PROGRAM AND TAX RATE OF THE CITY OF FAYETTEVILLE,
TENNESSEE FOR FISCAL YEAR 2018,

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 13, 2017 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 24, 2017 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 2017 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 2016	FISCAL YEAR 2017	FISCAL YEAR 2018	EST. FUND BALANCE 07/01/17	AVAILABLE FUNDS
General Fund					
Current Taxes	\$ 8,793,491	\$ 8,660,568	\$ 9,025,000		
Delinquent Taxes	62,731	45,000	55,000		
Nontax Revenues	1,114,745	1,365,563	1,465,754		
State Street Aid:					
Street Repair	13,889	13,500	13,500		
Street Lighting	187,104	180,000	185,000		
<i>TOTAL GENERAL FUND</i>	\$ 10,171,960	\$ 10,264,631	\$ 10,744,254	\$6,882,317	\$ 17,626,571
Drug Fund	13,234	11,015	23,015	57,052	\$ 80,067
Refuse Collection Fund	544,885	530,725	520,720	677,846	\$ 1,198,566
CDBG Loan Fund	16	10	10	33,928	\$ 33,938
UDAG Loan Fund	131	100	100	406,009	\$ 406,109
Grant Fund	48,314	242,000	242,000	-	\$ 242,000
Debt Service Fund	317,129	370,092	368,947	308,406	\$ 677,353
Industrial Park	12	10	0	27,540	\$ 27,540
Capital Projects	683,201	442,200	457,250	1,160,396	\$ 1,617,646
Landfill Fund	80,654	125,000	55,000	(310,612)	\$ (255,612)
General Purpose School Fund	\$10,930,816	\$11,465,389	\$11,332,797	\$3,146,135	\$ 14,478,932
<i>TOTAL ALL FUNDS</i>	\$ 22,790,352	\$ 23,451,172	\$ 23,744,093	\$ 12,389,017	\$ 36,133,110

SECTION 2: APPROPRIATIONS. The governing body appropriates from these anticipated revenues and unexpended and unencumbered funds the following expenditures for fiscal year 2018:

FUND NAME	FISCAL YEAR 2016	FISCAL YEAR 2017	FISCAL YEAR 2018	EST. FUND BALANCE 6/30/18
General Fund				
General Government	\$ 1,265,040	\$ 1,508,985	\$ 1,570,643	
Public Safety	4,172,107	4,608,403	4,847,019	
Public Works	1,910,835	2,229,145	2,052,223	
Health & Welfare	809,719	837,276	892,886	
Debt Service	317,030	370,002	368,857	
Education	822,571	865,096	874,482	
Capital Projects	607,761	200,000	200,000	
<i>TOTAL GENERAL FUND</i>	\$ 9,905,063	\$ 10,618,907	\$ 10,806,110	\$ 6,820,461
Drug Fund	10,651	54,323	61,700	18,367
Refuse Collection Fund	474,922	619,623	596,967	601,599
CDBG Loan Fund	-	49,609	30,000	3,938
UDAG Loan Fund	-	1,000	1,000	405,109
Grant Fund	51,999	242,000	242,000	-
Debt Service Fund	319,023	370,002	368,857	308,496
Industrial Park	18,110	-	-	27,540
Capital Projects	2,708,482	473,005	675,864	941,782
Landfill Fund	80,451	126,200	66,000	(321,612)
General Purpose School Fund	\$10,986,744	\$11,598,584	\$11,558,805	2,920,127
<i>TOTAL ALL FUNDS</i>	\$ 24,555,445	\$ 24,153,253	\$ 24,407,303	\$ 11,725,807

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	\$ 85,000	\$ 53,200		
General Obligation Bond Series 2013A	\$ 215,000	\$ 142,100		
General Obligation Bond Series 2013B	\$ 40,000	\$ 32,063		
General Obligation Bond Series 2009	\$ 115,000	\$ 41,594		

Appropriations of \$723,957 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
		\$ -
Municipal Building Remodel	\$20,000	\$ -
Two Fully Equipped Police Tahoes	\$92,700	\$ -
Truck for Police Investigations	\$36,500	\$ -
Fire Prevention Truck	\$41,000	\$ -
Tractor & 15' Bushhog	\$69,000	\$ -
Parks and Recreation Truck	\$35,000	\$ -
Three Scoreboards	\$12,500	\$ -
Two Mowers	\$19,000	\$ -
Replace Roofs on Pavilions at Kiwanis Park	\$7,000	\$ -
Replace Equipment at Kid's Park	\$25,000	\$ -
Public Works Truck	\$39,000	\$ -

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.

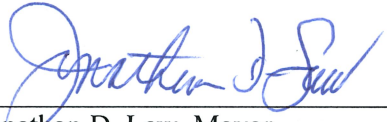
SECTION 9: DIRECTOR OF LOCAL FINANCE BUDGET APPROVAL. This ordinance will not be the official budget of the City of Fayetteville until it is approved by the Director of the Division of Local Finance in the Office of the Comptroller of the Treasury as required by *Tennessee Code Annotated* Section 9-21-403. 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 2018 tax rate for real property shall be \$1.65 per each \$100 of assessed value.


SECTION 11: This ordinance shall take effect July 1, 2017, the public welfare requiring it. All ordinances or parts of ordinances in conflict with any provision of this ordinance are hereby repealed.

June 13, 2017

Date



Jonathan D. Law, Mayor



Gregory Scott Collins, City Administrator