

ORDINANCE No. 2018-04

**AN ORDINANCE OF THE
CITY OF FAYETTEVILLE, TENNESSEE
ADOPTING THE ANNUAL BUDGET AND TAX RATE
FOR THE FISCAL YEAR BEGINNING JULY 1, 2018 AND ENDING JUNE 30, 2019**

WHEREAS, Tennessee Code Annotated § 9-1-116 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; and

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 the source except in accordance with a budget ordinance and that the governing body shall not make any appropriation in excess of estimated available funds; and

WHEREAS, the Board of Mayor and Aldermen has published 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 Board will consider final passage of the budget.

NOW THEREFORE BE IT ORDAINED BY THE BOARD OF MAYOR AND ALDERMEN OF THE CITY OF FAYETTEVILLE, TENNESSEE AS FOLLOWS:

SECTION 1: That the governing body projects anticipated revenues from all sources and appropriates planned expenditures for each department, board, office or other agency of the municipality, herein presented together with the actual annual receipts and expenditures of the last preceding fiscal year and the estimated annual expenditures for the current fiscal year, and from those revenues and unexpended and unencumbered funds as follows for fiscal year 2019, and including the projected ending balances for the budget year, the actual ending balances for the most recent ended fiscal year and the estimated ending balances for the current fiscal years:

GENERAL FUND		Actual FY 2017	Estimated FY 2018	Budget FY 2019
Cash Receipts				
Local Taxes	\$	8,211,940	\$ 8,056,600	\$ 8,513,600
Licenses And Permits		43,616	42,000	42,100
Intergovernmental		1,618,035	1,552,600	1,627,459
Charges For Services		166,909	171,000	169,700
Fines And Forfeitures		80,105	95,500	91,500
Grant Revenues		222,363	-	616,618
Other Revenues		335,719	343,000	350,900
Total Cash Receipts	\$	10,678,687	\$ 10,260,700	\$ 11,411,877
Appropriations				
Legislative Board	\$	73,017	\$ 67,000	\$ 82,285
Mayor		19,169	19,980	23,135
Special Elections		-	2,000	1,500
City Attorney		35,995	38,815	38,815
Auditing		17,900	18,400	18,950
Administration		446,223	486,444	550,962
Information Technology		102,493	108,359	107,807
City Hall Buildings		60,421	78,250	67,300
Other General Government		677,310	665,978	690,597
GIS Mapping		64,744	66,608	72,307
Police		1,962,913	2,041,064	2,223,959
Emergency Communications		892,460	876,425	994,590
Fire Department		1,572,436	1,462,709	1,607,849
Planning and Codes		150,183	137,833	199,534
Highways and Streets		1,422,569	1,878,029	2,055,013
City Garage		160,608	189,286	199,803
Animal Control		49,930	55,000	60,000
Recereation Centers		606,181	645,213	630,621
Swimming Pools		48,342	52,270	48,350
Libraries		105,854	106,500	111,250
Education		846,404	874,482	913,176
Transfer to Debt Service		368,902	361,877	354,257
Transfer to Capital Projects		338,937	200,000	250,000
Municipal Airport		21,500	24,856	49,366
Total Appropriations	\$	10,044,491	\$ 10,457,378	\$ 11,351,426
Change in Cash (Receipts - Appropriations)		634,196	(196,678)	60,451
Beginning Cash Balance July 1		N/A	7,454,351	7,257,673
Ending Cash Balance June 30	\$	7,454,351	\$ 7,257,673	\$ 7,318,124
Ending Cash as a % of Total Cash Payments/Appropriat		74.2%	69.4%	64.5%

NOTE: BEG. CASH NOT INCLUDED FOR FY 2017 BECAUSE THE NUMBERS WERE TAKEN FROM THE AUDITED FINANCIAL STATEMENTS, WHICH USE THE MODIFIED ACCRUAL BASIS OF ACCOUNTING.

Debt Service to be paid out of General Fund

NOTE: a transfer is made from General Fund to Debt Service Fund for debt payments

DRUG FUND		Actual FY 2017	Estimated Actual FY 2018	Budget FY 2019
Cash Receipts				
Fines And Forfeitures	\$	30,128	\$ 30,000	\$ 20,000
Other Revenues		2,135	6,015	6,015
Total Cash Receipts	\$	32,263	\$ 36,015	\$ 26,015
Appropriations				
Drug Enforcement	\$	33,891	\$ 21,400	\$ 48,272
		-	-	-
Total Appropriations	\$	33,891	\$ 21,400	\$ 48,272
Change in Cash (Receipts - Appropriations)		(1,628)	14,615	(22,257)
Beginning Cash Balance July 1		N/A	52,709	67,324
Ending Cash Balance June 30	\$	52,709	\$ 67,324	\$ 45,067
Ending Cash as a % of Total Cash Payments/Appropriations		155.5%	314.6%	93.4%

SOLID WASTE FUND		Actual FY 2017	Estimated Actual FY 2018	Budget FY 2019
Cash Receipts				
Solid Waste Disposal Fees	\$	539,832	\$ 542,700	\$ 553,900
Miscellaneous Revenues		39,160	1,100	1,100
Total Cash Receipts	\$	578,992	\$ 543,800	\$ 555,000
Appropriations				
Waste Collection	\$	432,275	\$ 564,490	\$ 550,137
Transfers Out	\$	68,366		
Miscellaneous Expenses		1,246	3,812	4,500
Total Appropriations	\$	501,887	\$ 568,302	\$ 554,637
Change in Cash (Receipts - Appropriations)		77,105	(24,502)	363
Beginning Cash Balance July 1		N/A	294,034	269,532
Ending Cash Balance June 30	\$	294,034	\$ 269,532	\$ 269,895
Ending Cash as a % of Total Cash Payments/Appropriations		58.6%	47.4%	48.7%

INDUSTRIAL PARK FUND		Actual FY 2017	Estimated Actual FY 2018	Budget FY 2019
Cash Receipts				
Interest Earnings	\$	5	\$ 5	\$ -
Total Cash Receipts	\$	5	\$ 5	\$ -
Appropriations				
Industrial Building and Grounds	\$	25,843	\$ -	\$ -
Total Appropriations	\$	25,843	\$ -	\$ -
Change in Cash (Receipts - Appropriations)		(25,838)	5	-
Beginning Cash Balance July 1		N/A	1,672	1,677
Ending Cash Balance June 30	\$	1,672	\$ 1,677	\$ 1,677
Ending Cash as a % of Total Cash Payments/Appropriations		6.5%	0.0%	0.0%

CAPITAL PROJECTS	Actual FY 2017	Estimated Actual FY 2018	Budget FY 2019
Cash Receipts			
Interest Earnings	\$ 364	\$ 250	\$ 250
Grant Income	\$ 26,951	\$ 2,500	\$ 15,000
Operating Transfer from General Fund	\$ 338,937	\$ 200,000	\$ 200,000
Total Cash Receipts	\$ 366,252	\$ 202,750	\$ 215,250
Appropriations			
Facility Improvements	\$ 220,975	\$ 384,000	\$ 220,153
Other Machinery and Equipment	\$ 136,644	\$ 340,838	\$ 235,402
Stone Bridge Park	\$ (1,269)		
Total Appropriations	\$ 356,350	\$ 724,838	\$ 455,555
Change in Cash (Receipts - Appropriations)	9,902	(522,088)	(240,305)
Beginning Cash Balance July 1	-	1,235,661	713,573
Ending Cash Balance June 30	\$ 1,235,661	\$ 713,573	\$ 473,268
Ending Cash as a % of Total Cash Payments/Appropriations	346.8%	98.4%	103.9%

C.D.B.G. FUND	Actual FY 2017	Estimated Actual FY 2018	Budget FY 2019
Cash Receipts			
Other Revenues	\$ 16	\$ 10	\$ 10
Total Cash Receipts	\$ 16	\$ 10	\$ 10
Appropriations			
Repair and Maintenance Services	\$ 15,503	\$ 10,500	\$ 10,500
Total Appropriations	\$ 15,503	\$ 10,500	\$ 10,500
Change in Cash (Receipts - Appropriations)	(15,487)	(10,490)	(10,490)
Beginning Cash Balance July 1	-	43,054	32,564
Ending Cash Balance June 30	\$ 43,054	\$ 32,564	\$ 22,074
Ending Cash as a % of Total Cash Payments/Appropriations	277.7%	310.1%	210.2%

U.D.A.G. FUND	Actual FY 2017	Estimated Actual FY 2018	Budget FY 2019
Cash Receipts			
Interest Earnings	\$ 131	\$ 100	\$ 100
Total Cash Receipts	\$ 131	\$ 100	\$ 100
Appropriations			
Other Urban Redevelopment	\$ -	\$ 1,000	\$ 1,000
Total Appropriations	\$ -	\$ 1,000	\$ 1,000
Change in Cash (Receipts - Appropriations)	131	(900)	(900)
Beginning Cash Balance July 1	N/A	407,040	406,140
Ending Cash Balance June 30	\$ 407,040	\$ 406,140	\$ 405,240
Ending Cash as a % of Total Cash Payments/Appropriations	0.0%	40614.0%	40524.0%

DEBT SERVICE	Actual FY 2017	Estimated Actual FY 2018	Budget FY 2019
Cash Receipts			
Other Revenues	\$ 368,901	\$ 368,857	\$ 357,000
Total Cash Receipts	\$ 368,901	\$ 368,857	\$ 357,000
Appropriations			
Bond Issues	\$ 235,000	\$ 240,000	\$ 241,000
Interest	\$ 133,402	\$ 142,114	\$ 112,152
Other Fees	\$ 2,046	\$ 3,957	\$ 4,000
Total Appropriations	\$ 370,448	\$ 386,071	\$ 357,152
Change in Cash (Receipts - Appropriations)	(1,547)	(17,214)	(152)
Beginning Cash Balance July 1	-	308,406	291,192
Ending Cash Balance June 30	\$ 308,406	\$ 291,192	\$ 291,040
Ending Cash as a % of Total Cash Payments/Appropriations	83.3%	75.4%	81.5%

GENERAL PURPOSE SCHOOL FUND		Actual	Estimated	Budget
		FY 2017	FY 2018	FY 2019
Cash Receipts				
Local Taxes	\$	2,301,607	\$ 2,406,090	\$ 2,345,580
State of Tennessee	\$	8,108,979	\$ 7,900,207	\$ 8,461,200
Federal Government	\$	3,444	\$ 8,000	\$ 4,000
Other Revenues	\$	1,051,431	\$ 1,018,500	\$ 1,102,931
Total Cash Receipts	\$	11,465,461	\$ 11,332,797	\$ 11,913,711
Appropriations				
Salaries	\$	9,400,095	\$ 9,647,673	\$ 10,194,959
Other	\$	1,478,089	\$ 2,277,233	\$ 2,286,769
Total Appropriations	\$	10,878,184	\$ 11,924,906	\$ 12,481,728
Change in Cash (Receipts - Appropriations)		587,277	(592,109)	(568,017)
Beginning Cash Balance July 1		-	3,866,607	3,274,498
Ending Cash Balance June 30	\$	3,866,607	\$ 3,274,498	\$ 2,706,481
Ending Cash as a % of Total Cash Payments/Appropriations		35.5%	27.5%	21.7%

SECTION 2: At the end of the fiscal year 2018, the governing body estimates fund balances or deficits as follows:

Fund	Estimated Fund Balance at June 30, 2018
General Fund	\$ 7,636,400
Drug Fund	\$ 65,500
Sanitation Fund	\$ 819,300
Industrial Park Fund	\$ 1,700
Capital Projects Fund	\$ 713,573
CDBG Fund	\$ 23,600
UDAG Fund	\$ 406,100
Debt Service Fund	\$ 289,600
General Purpose School Fund	\$ 3,274,500

SECTION 3: That the governing body herein certifies that the condition of its sinking funds, if applicable, are compliant pursuant to its bond covenants, and recognizes that the municipality has outstanding bonded and other indebtedness as follows:

Bonded or Other Indebtedness	Debt Authorized and Unissued	Principal Outstanding at June 30, 2018	FY2019 Principal Payment	FY2019 Interest Payment
2009 Issue - Refinance	\$ -	\$ -	\$ 115,635.00	\$ 15,490.00
2013 Issue -Swimming Pool	\$ -	\$ -	\$ 40,000.00	\$ 15,572.00
2014 Issue - Police Building	\$ -	\$ -	\$ 85,000.00	\$ 25,750.00
2017 Issue - Refinance	\$ -	\$ -	\$ -	\$ 28,089.00

SECTION 4: During the coming fiscal year (2019) the governing body has pending and planned capital projects with proposed funding as follows:

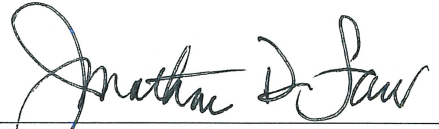
Proposed Future Capital Projects	Proposed Future Capital Projects - Total Expense	Proposed Future Capital Projects Expense Financed by Estimated Revenues and/or Reserves	Proposed Future Capital Projects Expense Financed by Debt Proceeds
T2 Sonicwall Firewall	\$ -	\$ 5,029.00	\$ -
Microsoft Server 2016 Software	\$ -	\$ 3,250.00	\$ -
Upgrade Multi-purpose: Presentations	\$ -	\$ 2,515.00	\$ -
Upgrade Auditorium Audio/Video	\$ -	\$ 1,472.00	\$ -
Upgrade Video System Camera/Editing	\$ -	\$ 5,684.00	\$ -
Two Fully Equipped Police Tahoes	\$ -	\$ 92,670.00	\$ -
Fully Equipped F150 for K-9 Unit	\$ -	\$ 38,000.00	\$ -
11 Tactical Bulletproof Vests	\$ -	\$ 20,076.00	\$ -
Power DMS Policy	\$ -	\$ 5,000.00	\$ -
9MM+55.6 Training Simulation Kit	\$ -	\$ 3,000.00	\$ -
Firehouse Interface	\$ -	\$ 2,425.00	\$ -
Security System - Station 1	\$ -	\$ 2,314.00	\$ -
4x4 Extended Cab Pick-up	\$ -	\$ 40,000.00	\$ -
Three New Scoreboards	\$ -	\$ 12,500.00	\$ -
Replace Roof on Pavilion at Kiwanis	\$ -	\$ 12,500.00	\$ -
Replace Equipment at Kid's Park	\$ -	\$ 25,000.00	\$ -
2015 TAP Construction Phase I	\$ -	\$ 62,500.00	\$ -
2017 TAP Pre-construction Phase II	\$ -	\$ 80,000.00	\$ -
Emergency Warning Sirens	\$ -	\$ 41,620.00	\$ -

SECTION 5: No appropriation listed above may be exceeded without an amendment of the budget ordinance as required by the Municipal Budget Law of 1982 (TCA § 6-56-208). 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 governing body in accord with Tennessee Code Annotated § 6-56-205.

- SECTION 6: Money may be transferred from one appropriation to another in the same fund in an amount of up to \$5,000 by the City Administrator, subject to such limitations and procedures as set by the Board of Mayor and Aldermen pursuant to Tennessee Code Annotated § 6-56-209. Any resulting transfers shall be reported to the governing body at its next regular meeting and entered into the minutes.
- SECTION 7: 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 Tennessee Code Annotated § 6-56-206 will be attached.
- SECTION 8: There is hereby levied a property tax of \$1.65 per \$100 of assessed value on all real and personal property.
- SECTION 9: This annual operating and capital budget ordinance and supporting documents shall be submitted to the Comptroller of the Treasury or Comptroller's Designee for approval if the City has debt issued pursuant to Title 9, Chapter 21 of the Tennessee Code Annotated within fifteen (15) days of its adoption. This budget shall not become the official budget for the fiscal year until such budget is approved by the Comptroller of the Treasury or Comptroller's Designee in accordance with Title 9, Chapter 21 of the Tennessee Code Annotated (the "Statutes".) If the Comptroller of the Treasury or Comptroller's Designee determines that the budget does not comply with the Statutes, the Governing Body shall adjust its estimates or make additional tax levies sufficient to comply with the Statutes or as directed by the Comptroller of the Treasury or Comptroller's Designee. If the City does not have such debt outstanding, it will file this annual operating and capital budget ordinance and supporting documents with the Comptroller of the Treasury or Comptroller's Designee.
- SECTION 10: All unencumbered balances of appropriations remaining at the end of the fiscal year shall lapse and revert to the respective fund balances.
- SECTION 11: All ordinances or parts of ordinances in conflict with any provision of this ordinance are hereby repealed.

SECTION 12: This ordinance shall take effect July 1, 2018, the public welfare requiring it.

Passed June 12, 2018.



Mayor

ATTESTED:



City Clerk

