

ORDINANCE No. 2019-04

**AN ORDINANCE OF THE
CITY OF FAYETTEVILLE, TENNESSEE
ADOPTING THE ANNUAL BUDGET AND TAX RATE
FOR THE FISCAL YEAR BEGINNING JULY 1, 2019 AND ENDING JUNE 30, 2020**

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 2020, 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:

ORDINANCE No. 2019-04

**AN ORDINANCE OF THE
CITY OF FAYETTEVILLE, TENNESSEE
ADOPTING THE ANNUAL BUDGET AND TAX RATE
FOR THE FISCAL YEAR BEGINNING JULY 1, 2019 AND ENDING JUNE 30, 2020**

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 2020, 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 2018	Estimated FY 2019	Budget FY 2020
Cash Receipts			
Local Taxes	\$ 8,479,494	\$ 8,755,033	\$ 8,748,977
Licenses And Permits	103,191	52,524	52,200
Intergovernmental	1,684,161	1,721,698	1,773,558
Charges For Services	176,950	167,976	181,850
Fines And Forfeitures	102,607	81,054	88,700
Grant Revenues	10,272	17,128	373,880
Other Revenues	357,619	384,585	494,925
Total Cash Receipts	\$ 10,914,294	\$ 11,179,998	\$ 11,714,090
Appropriations			
Legislative Board	\$ 63,443	\$ 67,000	\$ 89,839
Mayor	19,698	16,958	24,195
Special Elections	188	188	500
City Attorney	36,204	36,271	38,865
Auditing	18,400	18,950	18,950
Administration	484,672	479,140	651,791
Information Technology	107,127	107,807	113,889
City Hall Buildings	79,993	69,877	73,700
Other General Government	703,488	570,453	540,966
GIS Mapping	66,414	72,307	76,794
Police	2,014,127	2,223,959	2,353,405
Emergency Communications	921,047	994,590	1,060,745
Fire Department	1,492,240	1,671,418	1,511,130
Planning and Codes	162,611	199,534	247,108
Safety	-	-	5,000
Highways and Streets	1,570,051	2,055,013	2,132,578
City Garage	194,585	199,803	209,897
Animal Control	55,000	60,000	62,000
Recreation Centers	609,653	630,621	751,857
Swimming Pools	54,865	48,350	67,610
Libraries	110,001	111,250	112,919
Education	871,482	897,626	906,326
Tourism	-	-	104,000
Transfer to Debt Service	361,877	354,257	534,000
Transfer to Capital Projects	200,000	750,000	500,000
Municipal Airport	24,856	69,866	40,117
Total Appropriations	\$ 10,222,022	\$ 11,705,238	\$ 12,228,181
Change in Cash (Receipts - Appropriations)	692,272	(525,240)	(514,091)
Beginning Cash Balance July 1	N/A	7,913,501	7,388,261
Ending Cash Balance June 30	\$ 7,913,501	\$ 7,388,261	\$ 6,874,170
Ending Cash as a % of Total Cash Payments/Appropriations	77.4%	63.1%	56.2%

NOTE: BEG. CASH NOT INCLUDED FOR FY 2018 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 2018	Estimated Actual FY 2019	Budget FY 2020
Cash Receipts			
Fines And Forfeitures	\$ 20,024	\$ 22,775	\$ 20,000
Other Revenues	1,878	36	30
Total Cash Receipts	\$ 21,902	\$ 22,811	\$ 20,030
Appropriations			
Drug Enforcement	\$ 13,887	\$ 31,700	\$ 45,825
	-	-	-
Total Appropriations	\$ 13,887	\$ 31,700	\$ 45,825
Change in Cash (Receipts - Appropriations)	8,015	(8,889)	(25,795)
Beginning Cash Balance July 1	N/A	55,214	46,325
Ending Cash Balance June 30	\$ 55,214	\$ 46,325	\$ 20,530
Ending Cash as a % of Total Cash Payments/Appropriations	397.6%	146.1%	44.8%

SPECIAL REVENUE REFUSE			
	Actual FY 2018	Estimated Actual FY 2019	Budget FY 2020
Cash Receipts			
Charges for Services	\$ 541,522	\$ 556,691	\$ 550,000
Fines Other Revenues	540	520	500
Other Revenues	4,558	1,137	925
Total Cash Receipts	\$ 546,620	\$ 558,348	\$ 551,425
Appropriations			
Waste Collection	\$ 502,424	\$ 554,637	\$ 588,100
Total Appropriations	\$ 502,424	\$ 554,637	\$ 588,100
Change in Cash (Receipts - Appropriations)	44,196	3,711	(36,675)
Beginning Cash Balance July 1	N/A	229,920	233,631
Ending Cash Balance June 30	\$ 229,920	\$ 233,631	\$ 196,956
Ending Cash as a % of Total Cash Payments/Appropriations	45.8%	42.1%	33.5%

C.D.B.G. FUND			
	Actual FY 2018	Estimated Actual FY 2019	Budget FY 2020
Cash Receipts			
Other Revenues	\$ 9	\$ 9	\$ 10
Total Cash Receipts	\$ 9	\$ 9	\$ 10
Appropriations			
Repair and Maintenance Services	\$ 15,911	\$ 2,500	\$ 10,500
Total Appropriations	\$ 15,911	\$ 2,500	\$ 10,500
Change in Cash (Receipts - Appropriations)	(15,902)	(2,491)	(10,490)
Beginning Cash Balance July 1	-	18,224	15,733
Ending Cash Balance June 30	\$ 18,224	\$ 15,733	\$ 5,243
Ending Cash as a % of Total Cash Payments/Appropriations	114.5%	629.3%	49.9%

U.D.A.G. FUND		Actual FY 2018	Estimated Actual FY 2019	Budget FY 2020
Cash Receipts				
Interest Earnings		\$ 145	\$ 162	\$ 200
Total Cash Receipts		\$ 145	\$ 162	\$ 200
Appropriations				
Other Urban Redevelopment		\$ -	\$ -	\$ 1,000
Total Appropriations		\$ -	\$ -	\$ 1,000
Change in Cash (Receipts - Appropriations)		145	162	(800)
Beginning Cash Balance July 1		N/A	407,176	407,338
Ending Cash Balance June 30		\$ 407,176	\$ 407,338	\$ 406,538
Ending Cash as a % of Total Cash Payments/Appropriations		0.0%	0.0%	40653.8%

GRANT FUND		Actual FY 2018	Estimated Actual FY 2019	Budget FY 2020
Cash Receipts				
Grant Income		\$ -	\$ 242,000	\$ 2,848,766
Total Cash Receipts		\$ -	\$ 242,000	\$ 2,848,766
Appropriations				
Transfers to Capital Projects		\$ -	\$ -	\$ 2,848,766
Total Appropriations		\$ -	\$ -	\$ 2,848,766
Change in Cash (Receipts - Appropriations)		-	242,000	-
Beginning Cash Balance July 1		N/A	-	242,000
Ending Cash Balance June 30		\$ -	\$ 242,000	\$ 242,000
Ending Cash as a % of Total Cash Payments/Appropriations				8.5%

DEBT SERVICE		Actual FY 2018	Estimated Actual FY 2019	Budget FY 2020
Cash Receipts				
Other Revenues		\$ 361,971	\$ 368,857	\$ 534,000
Total Cash Receipts		\$ 361,971	\$ 368,857	\$ 534,000
Appropriations				
Bond Issues		\$ 235,000	\$ 241,000	\$ 412,809
Interest		\$ 133,402	\$ 112,152	\$ 116,978
Other Fees		\$ 2,046	\$ 3,460	\$ 4,000
Total Appropriations		\$ 370,448	\$ 356,612	\$ 533,787
Change in Cash (Receipts - Appropriations)		(8,477)	12,245	213
Beginning Cash Balance July 1		-	302,484	314,729
Ending Cash Balance June 30		\$ 302,484	\$ 314,729	\$ 314,942
Ending Cash as a % of Total Cash Payments/Appropriations		81.7%	88.3%	59.0%

INDUSTRIAL PARK FUND

	Actual FY 2018	Estimated Actual FY 2019	Budget FY 2020
Cash Receipts			
Interest Earnings	\$ 1	\$ -	\$ -
Total Cash Receipts	\$ 1	\$ -	\$ -
Appropriations			
Industrial Building and Grounds	\$ -	\$ -	\$ -
Total Appropriations	\$ -	\$ -	\$ -
Change in Cash (Receipts - Appropriations)	1	-	-
Beginning Cash Balance July 1	N/A	1,673	1,673
Ending Cash Balance June 30	\$ 1,673	\$ 1,673	\$ 1,673
Ending Cash as a % of Total Cash Payments/Appropriations		0.0%	0.0%

CAPITAL PROJECTS

	Actual FY 2018	Estimated Actual FY 2019	Budget FY 2020
Cash Receipts			
Interest Earnings	\$ 387	\$ 1,867	\$ 1,000
Grant Income	\$ 2,500	\$ 500,400	\$ 500,000
Operating Transfer from General Fund	\$ 200,000	\$ 750,000	\$ 2,474,886
Total Cash Receipts	\$ 202,887	\$ 1,252,267	\$ 2,975,886
Appropriations			
Facility Improvements	\$ 126,779	\$ 219,311	\$ 3,089,107
Other Machinery and Equipment	\$ 340,839	\$ 179,487	\$ 249,869
Stone Bridge Park			
Total Appropriations	\$ 467,618	\$ 398,799	\$ 3,338,976
Change in Cash (Receipts - Appropriations)	(264,731)	853,468	(363,090)
Beginning Cash Balance July 1	-	954,929	1,808,397
Ending Cash Balance June 30	\$ 954,929	\$ 1,808,397	\$ 1,445,307
Ending Cash as a % of Total Cash Payments/Appropriations	204.2%	453.5%	43.3%

GENERAL PURPOSE SCHOOL FUND		Actual FY 2018	Estimated Actual FY 2019	Budget FY 2020
Cash Receipts				
Local Taxes		\$ 2,356,100	\$ 2,345,580	\$ 2,483,530
State of Tennessee		\$ 8,039,873	\$ 8,374,650	\$ 8,312,800
Federal Government		\$ 8,000	\$ 4,000	\$ 4,500
Other Revenues		\$ 1,003,500	\$ 1,149,931	\$ 1,152,056
Total Cash Receipts		\$ 11,407,473	\$ 11,874,161	\$ 11,952,886
Appropriations				
Salaries		\$ 9,627,424	\$ 10,281,895	\$ 10,352,017
Other		\$ 2,227,907	\$ 1,539,975	\$ 1,879,768
Total Appropriations		\$ 11,855,331	\$ 11,821,870	\$ 12,231,785
Change in Cash (Receipts - Appropriations)		(447,858)	52,291	(278,899)
Beginning Cash Balance July 1		3,866,606	3,418,748	3,471,039
Ending Cash Balance June 30		\$ 3,418,748	\$ 3,471,039	\$ 3,192,140
Ending Cash as a % of Total Cash Payments/Appropriations		28.8%	29.4%	26.1%

SECTION 2: At the end of the fiscal year 2019, the governing body estimates fund balances or deficits as follows:

Fund	Estimated Fund Balance at June 30, 2019
General Fund	\$ 8,336,833
Drug Fund	\$ 58,915
Sanitation Fund	\$ 888,045
Industrial Park Fund	\$ 1,672
Capital Projects Fund	\$ 970,012
Grant Fund	\$ 50
CDBG Fund	\$ 18,224
UDAG Fund	\$ 407,185
Debt Service Fund	\$ 302,475
General Purpose School Fund	\$ 3,418,748

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, 2019	FY2020 Principal Payment	FY2020 Interest Payment
2013 Issue -Swimming Pool	\$ -	\$ 790,000.00	\$ 45,000.00	\$ 30,222.50
2014 Issue - Police Building	\$ -	\$ 1,750,000.00	\$ 85,000.00	\$ 49,800.00
2017 Issue - Refinance	\$ -	\$ 859,791.79	\$ 117,517.00	\$ 25,197.14
Sanitation Dept Capital Outlay Note, Series 2017	\$ -	\$ 75,831.41	\$ 69,923.63	\$ 1,116.97
Police Vehicle Capital Outlay Note- Series 2019	\$ -	\$ 509,134.65	\$ 178,844.84	\$ 13,190.90

SECTION 4: During the coming fiscal year (2020) 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
Public Works Facility Repairs	\$ -	\$ 12,500.00	\$ -
Municipal Building Generator	\$ -	\$ 28,000.00	\$ -
Ballfield Fence Repairs	\$ -	\$ 5,000.00	\$ -
Stonebridge Cabin Roof	\$ -	\$ 20,000.00	\$ -
ADA Transition Plan	\$ -	\$ 55,000.00	\$ -
PW Skid Steer	\$ -	\$ 70,000.00	\$ -
PW Tractor w/ bushhog	\$ -	\$ 10,000.00	\$ -
Police Body Armor	\$ -	\$ 4,206.00	\$ -
Police Digital Radios	\$ -	\$ 55,000.00	\$ -
Detective Laptop	\$ -	\$ 1,613.00	\$ -
Lieutenant Laptop	\$ -	\$ 1,250.00	\$ -
Firefighting Gear	\$ -	\$ 44,800.00	\$ -
Thermal Imaging Cameras	\$ -	\$ 11,000.00	\$ -
IT- Jeep Cherokee	\$ -	\$ 26,000.00	\$ -
Fire Dept Field Computers	\$ -	\$ 3,200.00	\$ -
Mayor Laptop	\$ -	\$ 1,500.00	\$ -
Codes Field Laptop	\$ -	\$ 4,000.00	\$ -
Codes Workstation	\$ -	\$ 1,300.00	\$ -
Recreation Mower	\$ -	\$ 11,000.00	\$ -
Pool Vacuum	\$ -	\$ 5,000.00	\$ -
	\$ -		\$ -

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 \$1.50 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, 2019, the public welfare requiring it.

Passed June 11, 2019.



Mayor

ATTESTED:



City Clerk

