

ADJOURNED MEETING
BOARD OF MAYOR AND ALDERMEN
JUNE 12, 2008

The Board of Mayor and Aldermen of the City of Fayetteville, Lincoln County, Tennessee, met in open, public adjourned session at the regular meeting place at the Municipal Building in said city at 5:00 p.m. on June 12, 2008, having adjourned from June 10, 2008, to this date. Mayor Gwen Shelton was present and presiding, and the following named aldermen were present:

Richard Bolles
Carolyn Denton
Dorothy Small
Joe Askins
Marty Pepper
Walter Sloan

Also present was Kevin Helms, City Administrator.

Amendment 3 to the 2007-2008 City School budget was considered as follows:

**FAYETTEVILLE CITY SCHOOL SYSTEM
2007-2008 GENERAL PURPOSE BUDGET – 141
AMENDMENT #3**

ESTIMATED REVENUES AND OTHER SOURCES

40000	LOCAL TAXES	\$ 1,415,002.00
41000	LICENSES & PERMITS	1,000.00
43000	CHARGES FOR CURRENT SERVICES	190,161.00
44000	OTHER LOCAL REVENUES	176,204.00
46500	STATE EDUCATION FUNDS	4,444,469.00
46800	OTHER STATE REVENUES	12,263.00
47100	FEDERAL FUNDS RECEIVED THRU STATE	9,900.00
47600	DIRECT FEDERAL REVENUES	5,000.00
49000	OTHER SOURCES	<u>656,253.00</u>
14100	TOTAL ESTIMATED REVENUES & OTHER SOURCES	\$ 6,910,252.00
30000	RESERVES AND/OR FUND BALANCES	<u>4,300,895.00</u>
	TOTAL AVAILABLE FUNDS	\$ 11,211,147.00

EXPENDITURES (APPROPRIATIONS)

71100	REGULAR INSTRUCTION PROGRAM	\$ 3,591,422.00
71200	SPECIAL EDUCATION PROGRAM	295,551.00
71400	STUDENT BODY EDUCATION PROGRAM	10,000.00
72110	ATTENDANCE	44,617.00
72120	HEALTH SERVICES	151,527.00
72130	OTHER STUDENT SUPPORT	172,417.00
72210	REGULAR INSTRUCTION PROGRAM	379,688.00
72220	SPECIAL EDUCATION PROGRAM	39,449.00
72310	BOARD OF EDUCATION	156,245.00
72320	OFFICE OF SUPERINTENDENT	153,901.00
72410	OFFICE OF PRINCIPAL	511,791.00
72510	FISCAL SERVICES	90,154.00
72610	OPERATION OF PLANT	544,633.00
72620	MAINTENANCE OF PLANT	135,747.00
72710	TRANSPORTATION	121,601.00
73300	COMMUNITY SERVICES	188,161.00
73400	EARLY CHILDHOOD SERVICES	267,000.00
76100	REGULAR CAPITAL OUTLAY	320,000.00
80000	EDUCATION DEBT SERVICE	<u>103,085.00</u>
	TOTAL EXPENDITURES (APPROPRIATIONS)	\$ 7,276,989.00

**FAYETTEVILLE CITY SCHOOL SYSTEM
2007-2008 GENERAL PURPOSE BUDGET – 141
AMENDMENT #3**

ESTIMATED REVENUES AND OTHER SOURCES:

46590	HEALTH SERVICES (Coordinated School Health)	\$ <u>3552.00</u>
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TOTAL AVAILABLE FUNDS		\$ 3552.00
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EXPENDITURES:

72120	HEALTH SERVICES	\$ <u>3552.00</u>
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TOTAL AVAILABLE FUNDS		\$ 3552.00
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FAYETTEVILLE CITY SCHOOL SYSTEM
2007/2008 GENERAL PURPOSE BUDGET
AMENDMENT #3

Revenue Increase: Health Services
(Coordinated School Health)

**Expenditure
Increases:** Additional Grant Funds for Purchase of
Physical Education Related Equipment

FAYETTEVILLE CITY SCHOOLS

By: _____
Jimmy Bills, Board Chairman

By: _____
Billy Joe Evans, Director of Schools

CITY OF FAYETTEVILLE

By: _____
Kevin Helms, City Administrator

Motion was made by Walter Sloan seconded by Joe Askins to approve amendment 3 to the City School budget to add \$3552 in additional revenue. Upon roll call, the following voted:

Aye

Richard Bolles
Carolyn Denton
Dorothy Small
Joe Askins
Marty Pepper
Walter Sloan.

Nay

None

Mayor Shelton declared the motion adopted.

Motion was made by Joe Askins seconded by Marty Pepper to approve the 2008-2009 City School budget which showed the City's contribution to be \$674,231. Upon roll call, the following voted:

Aye

Carolyn Denton
Dorothy Small
Joe Askins
Marty Pepper
Walter Sloan
Richard Bolles

Nay

None

Mayor Shelton declared the motion adopted.

Ordinance 2008-10, concerning adoption of the City 2008-2009 budget was considered which is as follows:

ORDINANCE NO. 2008- 10
AN ORDINANCE ADOPTING THE ANNUAL BUDGET AND CAPITAL
PROGRAM AND TAX RATE OF THE CITY OF FAYETTEVILLE,
TENNESSEE FOR FISCAL YEAR 2009,

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 10, 2008 at 5 PM in the 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 28, 2008 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 2008 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.

FUND NAME	FISCAL YEAR 2007	FISCAL YEAR 2008	FISCAL YEAR 2009	EST. FUND BALANCE 07/01/08	AVAILABLE FUNDS
General Fund					
Current Taxes	\$ 5,964,257	\$ 5,841,158	\$ 6,057,040		
Delinquent Taxes	83,859	75,000	50,000		
Nontax Revenues	1,236,806	1,085,110	1,191,685		
State Street Aid:					
Street Repair	76,306	82,275	75,275		
Street Lighting	136,557	132,000	142,000		
TOTAL GENERAL FUND	\$ 7,497,785	\$ 7,215,543	\$ 7,516,000	\$ 5,800,876	\$ 13,316,876
Drug Fund	19,909	12,188	15,800	25,547	\$ 41,347
Kids Park	5	4	1	2,225	\$ 2,226
Refuse Collection Fund	510,847	515,500	505,250	845,711	\$ 1,350,961
CDBG Loan Fund	1,086	750	1,150	434	\$ 1,584
UDAG Loan Fund	11,830	16,000	10,000	379,607	\$ 389,607
Grant Fund	-	-	375,000	-	\$ 375,000
Health Insurance Escrow	9,139	8,000	5,250	147,270	\$ 152,520
Debt Service Fund	255,659	256,300	71,500	513,033	\$ 584,533
Industrial Park	7,976	9,500	5,600	211,205	\$ 216,805
Capital Projects	361,871	351,500	311,500	2,481,980	\$ 2,793,480
Landfill Fund	35,148	17,000	20,000	498,675	\$ 518,675
General Purpose School Fund	6,275,041	6,568,307	7,145,836	4,380,641	\$ 11,526,477
TOTAL ALL FUNDS	\$ 14,986,296	\$ 14,970,592	\$ 15,982,887	\$ 15,287,204	\$ 31,270,091

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

SECTION 2: **APPROPRIATIONS.** The governing body appropriates from these anticipated revenues and unexpended and unencumbered funds the following expenditures for fiscal year 2009:

FUND NAME	FISCAL YEAR 2007	FISCAL YEAR 2008	FISCAL YEAR 2009	EST. FUND BALANCE 6/30/09
General Fund				
General Government	\$ 1,069,900	\$ 996,109	\$ 1,190,136	
Public Safety	3,077,303	3,196,849	3,363,802	
Public Works	1,442,870	1,338,098	1,364,600	
Health & Welfare	739,962	582,492	618,545	
Debt Service	213,683	233,125	58,000	
Education	627,585	648,923	674,231	
Capital Projects	210,000	210,000	210,000	
<i>TOTAL GENERAL FUND</i>	\$ 7,381,303	\$ 7,205,596	\$ 7,479,314	\$ 5,837,562
Drug Fund	19,504	65,650	28,600	12,747
Kids Park	5,930	1,000	1,000	1,226
Refuse Collection Fund	485,596	499,555	511,566	839,395
CDBG Loan Fund	-	45,750	47,524	(45,940)
UDAG Loan Fund	-	1,000	1,000	388,607
Grant Fund	-	-	375,000	
Health Insurance Escrow	30,426	43,525	48,250	104,270
Debt Service Fund	231,926	256,300	71,500	513,033
Industrial Park	8,812	2,500	2,500	214,305
Capital Projects	678,751	303,250	348,053	2,445,427
Landfill Fund	23,986	18,000	20,000	498,675
General Purpose School Fund	7,171,466	7,059,347	7,659,002	3,867,475
<i>TOTAL ALL FUNDS</i>	\$ 16,037,700	\$ 15,501,473	\$ 16,593,309	\$ 14,676,782

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
TN Loans 2005	\$ 25,000	\$ 42,000	\$ -	NA
TN Municipal Bond Fund Variable Rate Pooled Loan Program Series 1995	\$ 86,000	\$ 13,000	\$ -	NA

Appropriations of \$67,000 and \$99,000 from the Debt Service Fund and General Purpose School Fund, respectively, have been included and authorized for the payment of current debt obligations and any planned debt obligations for the coming fiscal year. The Board of Mayor and Aldermen anticipates and has budgeted for no new debt in the coming 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
Monitoring of closed Landfill	\$ 10,000	\$ -
2 Ton Truck w/Knuckleboom	\$ 75,000	\$ -
Municipal Building Upgrade	\$ 70,000	\$ -
2- Equipped Patrol Units	\$ 60,700	\$ -
Bulletproof Vest	\$ 26,250	\$ -
Update Admin Software & Server	\$ 16,500	\$ -
Infield Machine	\$ 15,000	\$ -
Rotary 14,000 lb Four Post Lift	\$ 7,000	\$ -
Board Room Chairs	\$ 6,500	\$ -
Utility Vehicle	\$ 6,000	\$ -
Ballistic Helmets	\$ 5,000	\$ -
TOTAL	\$ 297,950	\$ -

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.

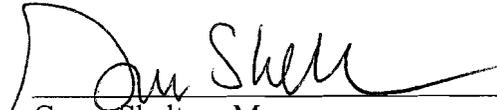
SECTION 9: DIRECTOR OF LOCAL FINANCE BUDGET APPROVAL. This ordinance will not be the official budget of the City of Fayetteville until it is approved by the Director of the Division of Local Finance in the Office of the Comptroller of the Treasury as required by *Tennessee Code Annotated* Section 9-21-403. 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 2009 tax rate for real property shall be \$1.3195 per each \$100 of assessed value.

SECTION 11: This ordinance shall take effect July 1, 2008, the public welfare requiring it. All ordinances or parts of ordinances in conflict with any provision of this ordinance are hereby repealed.

June 12, 2008

Date


Gwen Shelton, Mayor


Kevin L. Helms, City Administrator

Motion was made by Walter Sloan seconded by Marty Pepper to adopt ordinance 2008-10. Upon roll call, the following voted:

<u>Aye</u>	<u>Nay</u>
Dorothy Small	None
Joe Askins	
Marty Pepper	
Walter Sloan	
Richard Bolles	
Carolyn Denton	

Ms. Denton stated pursuant to Ordinance No. 2007-2, which is the City's code of ethics, she disclosed that she is employed by the Fayetteville-Lincoln Co. Chamber of Commerce and a portion of its budget is funded by the City of Fayetteville

Mayor Shelton declared the motion adopted.

Gail Randolph gave a report on the recycling center and upcoming activities of Keep Fayetteville Lincoln County Beautiful.

Motion was made by Dorothy Small seconded by Walter Sloan to support the Trail of Tears Reenactment as a permanent celebration in the City of Fayetteville with this year's activity to be held on October 25. Upon roll call, the following voted:

<u>Aye</u>	<u>Nay</u>
Joe Askins	None
Marty Pepper	
Walter Sloan	
Richard Bolles	
Carolyn Denton	
Dorothy Small	

Mayor Shelton declared the motion adopted.

Motion was made by Joe Askins seconded by Dorothy Small to approve Putman and Hancock CPA Firm to conduct the 2008 City audit. Upon roll call, the following voted:

<u>Aye</u>	<u>Nay</u>
Marty Pepper	None
Walter Sloan	
Richard Bolles	
Carolyn Denton	
Dorothy Small	
Joe Askins	

Mayor Shelton declared the motion adopted.

Mayor Shelton stated the July meeting has been changed to July 15, 2008.

Motion was made by Walter Sloan seconded by Marty Pepper to approve up to \$2400 from the Mary Bright Wilson funds for restoration work at the First Presbyterian Church cemetery. Upon roll call, the following voted:

<u>Aye</u>	<u>Nay</u>
Walter Sloan	None
Richard Bolles	
Carolyn Denton	
Dorothy Small	
Joe Askins	
Marty Pepper	

Mayor Shelton declared the motion adopted.

Motion was made by Walter Sloan seconded by Joe Askins to approve the recertification of the zoning map. Upon roll call, the following voted:

<u>Aye</u>	<u>Nay</u>
Richard Bolles	None
Carolyn Denton	
Dorothy Small	
Joe Askins	
Marty Pepper	
Walter Sloan	

Mayor Shelton declared the motion adopted.

Ordinance 2008-11 concerning an amendment to the Zoning Ordinance on non-conforming uses, was considered as follows:

ORDINANCE NO. 2008- 11

**ORDINANCE AMENDING THE ZONING ORDINANCE OF
FAYETTEVILLE, TENNESSEE**

WHEREAS, the Board of Mayor and Aldermen for the City of Fayetteville may pursuant to its charter and general laws of the State of Tennessee, enact and amend zoning ordinance regulations for the purpose of promoting the public health, safety, morals, convenience, order, prosperity, and general welfare of the community; and,

WHEREAS, the Fayetteville, Tennessee Municipal/Regional Planning Commission in its meeting on April 22, 2008 recommended the accompanying ordinance; and,

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

That the following Chapter 7, Section 14-702 NonConforming Use, Subsection 14-702.1: Provisions Governing Conforming Use, Subpart 9 Discontinuance, "When a nonconforming use of land or the active operation of substantially all the nonconforming uses in any building or other structure or tract of land is discontinued for a period of one (1) year, then the land or building or other structure shall thereafter be used only for conforming use. Intent to resume active operations shall not affect the forgoing provision." is hereby removed and replaced with the following:

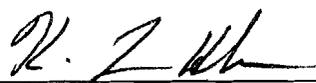
Chapter 7, Section 14-702 NonConforming Use, Subsection 14-702.1: Provisions Governing Conforming Use, Subpart 9 Discontinuance, "When a nonconforming use of land or the active operation of substantially all the nonconforming uses in any building or other structure or tract of land is discontinued in a residential use for a period of one year; or in a commercial or industrial use the allotted amount of time is thirty (30) continuous months, then the land of building or other structure shall thereafter be used for conforming use. Intent to resume active operations shall not affect the forgoing provision.

BE IT ENACTED that this ordinance shall take effect from and after its adoption, the public welfare requiring it.

Passed and adopted by the Board of Mayor and Aldermen of the City of Fayetteville, Tennessee, on the 12th day of June, 2008.



Mayor



City Administrator

Motion was made by Joe Askins seconded by Dorothy Small to adopt ordinance 2008-11.
Upon roll call, the following voted:

<u>Aye</u>	<u>Nay</u>
Carolyn Denton	None
Dorothy Small	
Joe Askins	
Marty Pepper	
Walter Sloan	
Richard Bolles	

Mayor Shelton declared ordinance 2008-11 adopted.

Motion was made by Joe Askins seconded by Dorothy Small to call a public hearing for the July 15 meeting to consider an amendment to the portable stand regulations. Upon roll call, the following voted:

<u>Aye</u>	<u>Nay</u>
Dorothy Small	None
Joe Askins	
Marty Pepper	
Walter Sloan	
Richard Bolles	
Carolyn Denton	

Mayor Shelton declared the motion adopted.

Motion was made by Walter Sloan seconded by Dorothy Small to reappoint Al Horsman to the Board of Public Utilities for a three year term to expire July 1, 2011.
Upon roll call, the following voted:

<u>Aye</u>	<u>Nay</u>
Joe Askins	None
Marty Pepper	
Walter Sloan	
Richard Bolles	
Carolyn Denton	
Dorothy Small	

Motion was made by Walter Sloan seconded by Marty Pepper to appoint Paul Richardson to the Board of Public Utilities for a three year term to expire July 1, 2011.
Upon roll call, the following voted:

<u>Aye</u>	<u>Nay</u>
Marty Pepper	None
Walter Sloan	

Richard Bolles
Carolyn Denton
Dorothy Small
Joe Askins

Motion was made by Joe Askins seconded by Dorothy Small to reappoint Adele Pitts to the Library for a three year term to expire July 1, 2011. Upon roll call, the following voted:

<u>Aye</u>	<u>Nay</u>
Walter Sloan	None
Richard Bolles	
Carolyn Denton	
Dorothy Small	
Joe Askins	
Marty Pepper	

Motion was made by Joe Askins seconded by Carolyn Denton to reappoint Mack Hamilton to the Library Board for a three year term to expire July 1, 2011. Upon roll call, the following voted:

<u>Aye</u>	<u>Nay</u>
Richard Bolles	None
Carolyn Denton	
Dorothy Small	
Joe Askins	
Marty Pepper	
Walter Sloan	

Motion was made by Walter Sloan seconded by Joe Askins to reappoint Carolyn Denton to the Library Board for a three year term to expire July 1, 2011. Upon roll call, the following voted:

<u>Aye</u>	<u>Nay</u>
Carolyn Denton	None
Dorothy Small	
Joe Askins	
Marty Pepper	
Walter Sloan	
Richard Bolles	

Mayor Shelton declared the appointments approved.

An appointment will be made in July to the Planning Commission for the position currently held by Rovena Wade.

After department reports were given, motion was made, seconded, and unanimously adopted to adjourn.

Mayor

Clerk