ORDINANCE NO. 2015-04
AN ORDINANCE ADOPTING THE ANNUAL BUDGET AND CAPITAL PROGRAM AND TAX RATE OF THE CITY OF FAYETTEVILLE, TENNESSEE FOR FISCAL YEAR 2016,

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 9, 2015 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 27, 2015 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 2015 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 2014	FISCAL YEAR 2015	FISCAL YEAR 2016	EST. FUND BALANCE 07/01/15	AVAILABLE FUNDS
General Fund					
Current Taxes	$ 7,498,622	$ 8,091,722	$ 8,449,075		
Delinquent Taxes	68,522	45,000	47,000		
Nontax Revenues	1,345,801	1,551,250	1,401,252		
State Street Aid:					
Street Repair	24,260	30,000	19,000		
Street Lighting	167,013	164,000	175,000		
TOTAL GENERAL FUND	$ 9,104,218	$ 9,881,972	$ 10,091,327	$6,500,283	$ 16,591,610
Drug Fund	37,299	15,030	17,020	85,629	$ 102,649
Refuse Collection Fund	554,524	500,700	535,700	$614,245	$ 1,149,945
CDBG Loan Fund	16	20	10	49,583	$ 49,593
UDAG Loan Fund	132	100	100	405,752	$ 405,852
Grant Fund	-	470,000	70,000	-	$ 70,000
Debt Service Fund	1,267,245	266,181	317,120	$1,237	$ 318,357
Industrial Park	42	60	20	74	$ 94
Capital Projects	1,303,682	2,208,850	578,850	3,265,433	$ 3,844,283
Landfill Fund	45,400	46,500	300,000	387,036	$ 687,036
General Purpose School Fund	$10,287,409	$10,481,636	$11,032,037	$2,769,863	$ 13,801,900
TOTAL ALL FUNDS	$ 22,599,967	$ 23,871,049	$ 22,942,184	$ 14,079,135	$ 37,021,319

SECTION 2: **APPROPRIATIONS.** The governing body appropriates from these anticipated revenues and unexpended and unencumbered funds the following expenditures for fiscal year 2016:

FUND NAME	FISCAL YEAR 2014	FISCAL YEAR 2015	FISCAL YEAR 2016	EST. FUND BALANCE 6/30/16
General Fund				
General Government	$ 1,347,974	$ 1,507,665	$ 1,524,625	
Public Safety	4,000,783	4,249,108	4,374,272	
Public Works	1,376,681	1,881,783	2,050,894	
Health & Welfare	720,310	747,040	805,609	
Debt Service	267,150	266,081	317,030	
Education	774,899	801,146	824,640	
Capital Projects	260,451	410,000	500,000	
TOTAL GENERAL FUND	$ 8,748,248	$ 9,862,823	$ 10,397,070	$ 6,194,540
Drug Fund	15,508	87,801	97,728	4,921
Refuse Collection Fund	408,836	440,442	503,631	646,314
CDBG Loan Fund	-	49,580	45,590	4,003
UDAG Loan Fund	-	1,000	1,000	404,852
Grant Fund	-	470,000	70,000	-
Debt Service Fund	1,267,368	266,331	317,782	575
Industrial Park	46,088	116,121	-	94
Capital Projects	1,632,786	1,780,939	2,963,555	880,728
Landfill Fund	45,192	46,500	301,500	385,536
General Purpose School Fund	$10,931,442	$11,515,949	$11,677,119	2,124,781
TOTAL ALL FUNDS	$ 23,095,468	$ 24,637,486	$ 26,374,975	$ 10,646,344

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	$ -	$ 54,800		
General Obligation Bond Series 2013A	$ 215,000	$ 150,700		
General Obligation Bond Series 2013B	$ 40,000	$ 33,873		
General Obligation Bond Series 2009	$ 115,000	$ 49,100		
TN Energy Efficiency Loan	$ 24,749	$ -		

Appropriations of $683,222 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
		$ -
Police Building	$1,800,000	$ -
Voice Over IP Phone System	$30,000	$ -
Insulation at Municipal Building	$15,000	$ -
Update Bathroom Facilities at Fire Stations	$20,000	$ -
Two Equipped Police Vehicles	$95,000	$ -
Fire Truck	$460,000	$ -
Fire Vehcile	$39,000	$ -
One Ton Public Works Truck	$37,500	$ -

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 2016 tax rate for real property shall be $1.65 per each $100 of assessed value.

SECTION 11: This ordinance shall take effect July 1, 2015, the public welfare requiring it. All ordinances or parts of ordinances in conflict with any provision of this ordinance are hereby repealed.

June 9, 2015

Date

Jonathan D. Law, Mayor

Gregory Scott Collins, City Administrator