ORDINANCE NO. 2011-01

AN ORDINANCE TO ADOPT THE FISCAL YEAR 2012 OPERATING, CAPITAL IMPROVEMENT AND DEBT SERVICE BUDGETS FOR THE CITY OF MILLINGTON AND TO ESTABLISH BUDGET RELATED PROCEDURES AND CONTROLS

BE IT ORDAINED by the Board of Mayor and Alderman of the City of Millington, Tennessee that the Fiscal Year 2012 Operating, Capital Improvement and Debt Service budgets are as follows:

SECTION 1: OPERATING BUDGETS

General Fund, net of transfers	$ 10,463,702
State Street Aid Fund, net of Transfers	$ 285,020
Gas Inspection Fee Fund	$ 172,400
State Drug Fund	$ 85,050
DEA Drug Fund	$ 82,100
Storm Water Fund, net of Transfers	$ 318,124
Sanitation Fund	$ 1,050,812
Water Fund	$ 1,259,700
Sewer Fund	$ 1,660,535

SECTION 2: DEBT SERVICE BUDGET

Debt Service Fund Expenditures	$ 728,892
Debt Service Fund Net Transfers	$ (728,892)

SECTION 3: CAPITAL IMPROVEMENT BUDGETS

Capital Improvement Program Fund, net of Transfers	$ 11,154,624
General Obligation Capital Outlay Notes, Series 2010 Project Fund	$ 433,839

SECTION 4: OPERATING BUDGETS EXPIRE AT JUNE 30 -- BE IT FURTHER ORDAINED, That Operating Budgets are appropriated on a fiscal year basis, appropriations expire as of June 30 each year and any goods or services not received as of June 30 must be purchased from the new fiscal year budget.

SECTION 5: DEBT SERVICE BUDGET -- BE IT FURTHER ORDAINED, That the Debt Service Budget is appropriated on a fiscal year basis and all appropriations expire as of June 30 each year.

SECTION 6: CAPITAL PROJECTS BUDGETS -- BE IT FURTHER ORDAINED, That Capital Projects are authorized on a "project" basis -- and the appropriation expires on completion or cancellation of the project. The Mayor and Finance Director are authorized to amend the FY12 Capital Budget for the unexpended portion of any appropriated project budgets as of June 30, 2011 with a corresponding amendment for the appropriate funding source.

SECTION 7: NO APPROPRIATION EXCEEDED -- BE IT FURTHER ORDAINED, That each office, department, and Elected Official which receives appropriations from the City shall adhere to the budget as approved and that no action shall be taken to purchase goods or services that will cause any fund, office, department or Elected Official to exceed its appropriations and that no personnel shall be hired or compensated unless provided for in this budget and in the ordinance approving the Position Control Budget and Compensation Policy for FY12.

SECTION 8: BUDGET TRANSFERS -- BE IT FURTHER ORDAINED, That the Mayor and Finance Director are authorized to transfer funds between accounts and to establish new accounts as necessary to properly account for the City's finances in accordance with generally accepted accounting principles as long as the total appropriations or revenues for any fund is not increased or decreased. All transfers will be reported to the Board of Mayor and Aldermen on a quarterly basis during the year and on a cumulative basis following year-end.

SECTION 9: GRANTS RECEIVED -- BE IT FURTHER ORDAINED, That the Mayor and Finance Director are authorized to increase the budget for grant revenues and expenditures once a grant has been awarded to the City from any federal, state or other local government and accepted by resolution of the Board of Mayor and Aldermen if no matching funds are required or if adequate matching funds are available in the already appropriated budget.

SECTION 10: DETAILED ACCOUNT FINANCIAL PLAN -- BE IT FURTHER ORDAINED, That a financial plan with detail revenue, expenditure and transfers accounts shall be prepared in support of the budget and attached hereto as Exhibit A.

SECTION 11: GENERAL FUND OPERATING RESERVES AT JUNE 30 -- BE IT FURTHER ORDAINED, That the Board of Mayor and Aldermen hereby establish a Financial Stabilization Account (committed General Fund Fund Balance) at no less than 30% of the next fiscal year's appropriations, an Emergency Account (committed General Fund Fund Balance) in the amount of $1,000,000 and a Library Construction Account (General Fund Fund Balance) in an amount equal to 50% of collections from the red light camera/speed van violations. Below this level, unspent budgets will accrue toward this. Amounts above this level may be used as directed by the Board.

SECTION 12: CITY FEES -- BE IT FURTHER ORDAINED, That any rate or fee established by previous resolution, ordinance or administrative action will remain in effect unless amended in the same manner as originally adopted.

SECTION 13: GRANTS GIVEN -- BE IT FURTHER ORDAINED, That grants to the Millington Chamber of Commerce and to the Millington YMCA in the amount not to exceed $18,000 and $150,000, respectively, are hereby appropriated to promote the general welfare of the residents of the city of Millington and that disbursements of these funds shall not be made until the individual non-profit civic organization has fully complied with T. C. A. Section 6-54-111 et.seq.

SECTION 14: REPORTING -- BE IT FURTHER ORDAINED, That the Mayor and Finance Director shall submit monthly reports of revenue received and expenditures incurred to the Board of Mayor and Alderman at its regular monthly meetings and shall also schedule a quarterly work session to review the City's financial condition including detail discussion of each Fund and all modifications to the budget during the previous quarter.

SECTION 15: SEVERABILITY -- BE IT FURTHER ORDAINED, That all Ordinances heretofore passed in conflict herewith are hereby repealed insofar as they are in conflict with this Ordinance.

SECTION 16: EFFECTIVE DATE -- BE IT FURTHER ORDAINED, That this Ordinance take effect on the latter of ten (10) days after final passage or July 1, 2011.

First Reading:	May 16, 2011
Second Reading:	June 6, 2011
Third Reading:	June 20, 2011

Richard L. Hodges, Mayor

Bruce Rasmussen, City Clerk