Mayor Dan Coody

City Attorney Kit Williams

City Clerk Sondra Smith

Aldermen

Ward 1 Position 1 – Adella Gray
Ward 1 Position 2 – Brenda Thiel
Ward 2 Position 1 – Kyle B. Cook
Ward 2 Position 2 – Nancy Allen
Ward 3 Position 1 – Robert K. Rhoads
Ward 3 Position 2 – Robert Ferrell
Ward 4 Position 1 – Shirley Lucas
Ward 4 Position 2 – Lioneld Jordan

Special Final Agenda
City of Fayetteville Arkansas
City Council Meeting
October 28, 2008

A special meeting of the Fayetteville City Council will be held on October 28, 2008 at 5:30 PM in Room 219 of the City Administration Building located at 113 West Mountain Street, Fayetteville, Arkansas.

Call to Order

Roll Call

Pledge of Allegiance

A. Unfinished Business

1. **2008 Millage Levy:** An ordinance levying a tax on the real and personal property within the City of Fayetteville, Arkansas for the year 2008 fixing the rate thereof at 1.3 mills for General Fund Operations, 0.4 mills for the Firemen's Pension and Relief Fund, 0.4 mills for the Policemen's Pension and Relief Fund and 1.0 mill for the Fayetteville Public Library; and certifying the same to the County Clerk of Washington County, Arkansas. ***This ordinance was approved at the September 16, 2008 City Council meeting. A motion was made and passed to reconsider the ordinance at the October 7, 2008 City Council meeting. This ordinance was left on the Third Reading at the October 7, 2008 City Council meeting and tabled to the October 21, 2008 City Council meeting. This ordinance was left on the Third Reading at the October 21, 2008 City Council meeting and tabled to a Special City Council meeting on October 28, 2008.***

   Left on the Third Reading

Adjournment:

NOTICE TO MEMBERS OF THE AUDIENCE

All interested parties may appear and be heard before the City Council. If you wish to address the City Council on an agenda item please queue behind the podium when the Chair asks for public comment. Once the chair recognizes you, go to the podium and give your name and address. Address your comments to the Chair, who is the presiding officer. The Chair will direct your comments to the appropriate elected official, staff member or others for response. Please keep your comments brief, to the point and relevant to the agenda item being considered so that everyone has a chance to speak.

Interpreters or TDD for hearing impaired are available for all City Council meetings, a 72 hour advance notice is required. For further information or to request an interpreter, please call 575-8330.

As a courtesy please turn off all cell phones and pagers.

A copy of the City Council agenda is available at accessfayetteville.org or in the office of the City Clerk, 113 West Mountain, Fayetteville, Arkansas.

ORD
9/16/08
5178
2008 millage
TAX Levy

City of Fayetteville
Staff Review Form
City Council Agenda Items
or
Contracts

9/16/2008
City Council Meeting Date

Paul A. Becker	Finance	Finance
Submitted By	Division	Department

Action Required:

City Council is requested to adopt real and personal property tax rates for 2008 for the Policemen's Pension & Relief, the Firemen's Pension & Relief Funds, and the Fayetteville Public Library. The rate to be adopted for the Policemen's Pension & Relief Fund and the Firemen's Pension & Relief Fund is 0.4 mils for real property and 0.4 mils for personal property, the millage for the Fayetteville Public Library is 1.0 mil for real property and 1.0 mil for personal property. City Council is requested to adopt real and personal property tax rates for 2008 for the City's General Fund. The rate requested for the City's General Fund is 1.3 mils for real property and 1.3 mils for personal property.

Cost of this request	$ - Category / Project Budget	Program Category / Project Name
Account Number	$ - Funds Used to Date	Program / Project Category Name
Project Number	$ - Remaining Balance	Fund Name

Budgeted Item ☐ Budget Adjustment Attached ☐

Paul a. Becker — Department Director — 8-29-08 Date

[signature] — City Attorney — 8-29-08 Date

Paul a. Becker — Finance Director — 9-2-08 Date

[signature] — Mayor — 9/2/08 Date

Previous Ordinance or Resolution # 5071

Original Contract Date:

Original Contract Number:

Received in City Clerk's Office 8/29/08 DEA.

Received in Mayor's Office ENTERED 9/2/08 PA

Comments:

Tabled to 10/28/08 Sp. CC mtg 10/21/08

ORDINANCE NO. 5178

AN ORDINANCE LEVYING A TAX ON THE REAL AND PERSONAL PROPERTY WITHIN THE CITY OF FAYETTEVILLE, ARKANSAS, FOR THE YEAR 2008 FIXING THE RATE THEREOF AT 1.3 MILLS FOR GENERAL FUND OPERATIONS, 0.4 MILLS FOR THE FIREMEN'S PENSION AND RELIEF FUND, 0.4 MILLS FOR THE POLICEMEN'S PENSION AND RELIEF FUND AND 1.0 MILL FOR THE FAYETTEVILLE PUBLIC LIBRARY; AND CERTIFYING THE SAME TO THE COUNTY CLERK OF WASHINGTON COUNTY, ARKANSAS

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF FAYETTEVILLE, ARKANSAS:

Section 1: That a tax is hereby levied on the real and personal property within the City of Fayetteville, Arkansas, for the year 2008 to be collected in 2009 for the following purposes at the following rates:

REAL AND PERSONAL PROPERTY

Purpose		Levy
General Fund – Operations		1.3 mills
Fayetteville Public Library		1.0 mills
Policemen's Pension Fund		0.4 mills
Firemen's Pension Fund		0.4 mills
	TOTAL	3.1 mills

Section 2: That the real and personal property tax so levied and the rates provided therefore are hereby certified to the Clerk of Washington County, Arkansas, to be placed in the tax book by the County Clerk and collected in the same manner that the county and school district taxes are collected.

Section 3: The City Clerk is hereby authorized and directed to file certified copies of this ordinance in the office of the County Recorder, County Clerk, County Assessor, and the County Tax Collector for Washington County, Arkansas.

PASSED and **APPROVED** this 16th day of September, 2008.

CITY CLERK/TREASURER CITY OF FAYETTEVILLE ARKANSAS WASHINGTON COUNTY

APPROVED:

By: _____
DAN COODY, Mayor

ATTEST:

By: _____
SONDRA E. SMITH, City Clerk/Treasurer

ORDINANCE NO. 5178

AN ORDINANCE LEVYING A TAX ON THE REAL AND PERSONAL PROPERTY WITHIN THE CITY OF FAYETTEVILLE, ARKANSAS, FOR THE YEAR 2008 FIXING THE RATE THEREOF AT 1.3 MILLS FOR GENERAL FUND OPERATIONS, 0.4 MILLS FOR THE FIREMEN'S PENSION AND RELIEF FUND, 0.4 MILLS FOR THE POLICEMEN'S PENSION AND RELIEF FUND AND 1.0 MILL FOR THE FAYETTEVILLE PUBLIC LIBRARY; AND CERTIFYING THE SAME TO THE COUNTY CLERK OF WASHINGTON COUNTY, ARKANSAS

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PASSED and **APPROVED** this 16th day of September, 2008.

CITY CLERK/TREASURER CITY OF FAYETTEVILLE ARKANSAS WASHINGTON COUNTY

APPROVED:

By: _____
DAN COODY, Mayor

ATTEST:

By: _____
SONDRA E. SMITH, City Clerk/Treasurer

Fayetteville
ARKANSAS

DEPARTMENTAL CORRESPONDENCE

TO: Mayor Dan Coody and Fayetteville City Council

FROM: Paul A. Becker, Director of Finance

DATE: August 29, 2008

SUBJECT: **2008 Millage Levy**

Recommendation:

City staff recommends that City Council approve the millage levy ordinance approving the 0.4 mils for the Policemen's Pension and Relief Fund, 0.4 mils for the Firemen's Pension and Relief Fund, 1.0 mils for the Fayetteville Public Library, and 1.3 mils for 2009 General Fund operations.

Background:

Each year the City must approve an ordinance to renew the levy of ad valorem taxes on real and personal property within the City. This request will provide for such levy on property assessed during 2008.

The total assessed value of real and personal property located within the city limits of Fayetteville, as of August 4, 2008, is approximately $1.271 billion. The assessed valuation is before the Washington County Board of Equalization has made all the changes to the County Assessors Abstract. Based on the preliminary assessments, the growth in real estate assessments is approximately 7.88%. The change in assessed real estate value is due to newly discovered, newly constructed property 5.19%

Discussion:

A millage levy ordinance must be approved by City Council in order for the City to continue to collect property taxes for the Policemen's Pension and Relief Fund and the Firemen's Pension and Relief Fund. The millage levy for the Policemen's Pension and Relief Fund is 0.4 mils for real property and 0.4 mils on personal property. The millage levy for the Firemen's Pension and Relief Fund is 0.4 mils for real property and 0.4 mils on personal property as was approved by referendum.

A millage levy ordinance must be approved for the operation of the Fayetteville Public Library and that was approved by the voters on October 1, 2002. The millage levy for the Fayetteville Public Library is 1.0 mils for real property and 1.0 mils on personal property.

Finally, City staff is requesting that City Council approve a millage levy ordinance for General Fund operations in the amount of 1.3 mils for both real and personal property.

The 2009 proposed property tax revenue amount based on the 1.3 mil levy is estimated to bring in $1,570,000 in General Fund revenue. The 2009 Proposed General Fund Budget will be distributed to City Council on Tuesday, September 9 at the City Council agenda session. Additional meetings during the months of September and October to discuss the millage levy will be held as needed. A proposed calendar is shown below:

Tuesday, September 9	Agenda Session / 2009 General Fund Budget Distributed
Tuesday, September 16	City Council Meeting
Tuesday, September 30	Agenda Session
Tuesday, October 7	City Council Meeting
Tuesday, October 14	Agenda Session
Tuesday, October 21	City Council Meeting

Budget Impact:

The 0.4 mils Police and 0.4 mils Fire is needed to fund the Pension plans for both areas. The 1.0 mils is used to fund the operation of the Fayetteville Public Library. The 1.3 mils will be used to fund General Fund operations.

Conclusion:

The millage levy must be at Washington County in time to be included in their consolidated levy ordinance which will be approved at the November 13, Quorum Court meeting. The deadline for receipt is set by the County. Last year that deadline was October 31. The City levy will be added to the levies by Washington County, the various school districts, improvement districts and other cities within the County when the Washington County Quorum Court adopts its millage levy for 2008.

The administration is requesting the same millage rate as was approved in 2007 as follows:

1.3 mils for General Fund Operations
1.0 mils for the Fayetteville Public Library
0.4 mils for the Police Pension Fund
0.4 mils for the Fire Pension Fund

If you have any questions concerning this agenda request please contact me at 575-8330.

ORDINANCE NO. _____

AN ORDINANCE LEVYING A TAX ON THE REAL AND PERSONAL PROPERTY WITHIN THE CITY OF FAYETTEVILLE, ARKANSAS, FOR THE YEAR 2008 FIXING THE RATE THEREOF AT 1.3 MILLS FOR GENERAL FUND OPERATIONS, 0.4 MILLS FOR THE FIREMEN'S PENSION AND RELIEF FUND, 0.4 MILLS FOR THE POLICEMEN'S PENSION AND RELIEF FUND AND 1.0 MILL FOR THE FAYETTEVILLE PUBLIC LIBRARY; AND CERTIFYING THE SAME TO THE COUNTY CLERK OF WASHINGTON COUNTY, ARKANSAS

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REAL AND PERSONAL PROPERTY

Purpose		Levy
General Fund – Operations		1.3 mills
Fayetteville Public Library		1.0 mills
Policemen's Pension Fund		0.4 mills
Firemen's Pension Fund		0.4 mills
	TOTAL	3.1 mills

Section 2: That the real and personal property tax so levied and the rates provided therefore are hereby certified to the Clerk of Washington County, Arkansas, to be placed in the tax book by the County Clerk and collected in the same manner that the county and school district taxes are collected.

Section 3: The City Clerk is hereby authorized and directed to file certified copies of this ordinance in the office of the County Recorder, County Clerk, County Assessor, and the County Tax Collector for Washington County, Arkansas.

PASSED and **APPROVED** this 16th day of September, 2008.

APPROVED: ATTEST:

By: _____ By: _____

DAN COODY, Mayor **SONDRA E. SMITH**, City Clerk/Treasurer

City of Fayetteville
Property Tax Revenue per Mil
August 4, 2008

Millage	Approximate Revenue
0.10	$ 121,000
0.20	$ 242,000
0.30	$ 362,000
0.40	$ 483,000
0.50	$ 604,000
0.60	$ 725,000
0.70	$ 845,000
0.80	$ 966,000
0.90	$ 1,087,000
1.00	$ 1,208,000
1.20	$ 1,449,000
1.30	$ 1,570,000
2.00	$ 2,415,000
2.20	$ 2,657,000
2.70	$ 3,261,000
3.20	$ 3,865,000
3.70	$ 4,468,000
4.20	$ 5,072,000
4.70	$ 5,676,000

The millage revenue reflected above is based on the Washington County Preliminary Summary Report of County Assessments for the Year 2008 dated August 4, 2008 and excludes real and personal property for Utilities. The City Council can approve up to 5.0 mils for operations. The table assumes a 95% collection rate. Total real and personal property assessments for 2008 amount to approximately $1,208 million excluding real estate and personal property for utilities.

Property Tax Impact Illustration

	Appraised Value	Assessed Value	1 Mil Tax / Year
Single Family Home	$ 75,000	$ 15,000	$ 15.00
Single Family Home	$ 100,000	$ 20,000	$ 20.00
Single Family Home	$ 150,000	$ 30,000	$ 30.00

Property Tax Rates (Comparable Arkansas Cities)

City	City Millage Levy *					Annual Tax Paid by Homeowner ($150,000)**
	General	Police/Fire Pension	Library	Bonds/ Other	Total	
Little Rock	5.0	2.0	3.3	5.3	15.6	$ 468.00
Fort Smith	5.0	2.0	1.0	-	8.0	240.00
Springdale	4.6	1.0	-	-	5.6	168.00
Bentonville	5.0	0.5	-	-	5.5	165.00
Rogers	1.4	1.0	0.9	1.5	4.8	144.00
Fayetteville	1.3	0.8	1.0	-	3.1	93.00

* Source: State of Arkansas - Assessment Coordination Department: 2007 Millage Report (2008 Collections) / Published February 2008

** Appraised Value

ORDINANCE NO. 5071

AN ORDINANCE LEVYING A TAX ON THE REAL AND PERSONAL PROPERTY WITHIN THE CITY OF FAYETTEVILLE, ARKANSAS, FOR THE YEAR 2007 FIXING THE RATE THEREOF AT 1.3 MILLS FOR GENERAL FUND OPERATIONS, 0.4 MILLS FOR THE FIREMEN'S PENSION AND RELIEF FUND, 0.4 MILLS FOR THE POLICEMEN'S PENSION AND RELIEF FUND AND 1.0 MILL FOR THE FAYETTEVILLE PUBLIC LIBRARY; AND CERTIFYING THE SAME TO THE COUNTY CLERK OF WASHINGTON COUNTY, ARKANSAS

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Section 1: That a tax is hereby levied on the real and personal property within the City of Fayetteville, Arkansas, for the year 2007 to be collected in 2008 for the following purposes at the following rates:

REAL AND PERSONAL PROPERTY

Purpose		Levy
General Fund – Operations		1.3 mills
Fayetteville Public Library		1.0 mills
Policemen's Pension Fund		0.4 mills
Firemen's Pension Fund		0.4 mills
	TOTAL	3.1 mills

Section 2: That the real and personal property tax so levied and the rates provided therefore are hereby certified to the Clerk of Washington County, Arkansas, to be placed in the tax book by the County Clerk and collected in the same manner that the county and school district taxes are collected.

Handed out at Agenda Session
9-9-08

Fayetteville
ARKANSAS

General Fund
2009 Proposed Budget Summary

September 9, 2008

Items to be Covered

- 2008 General Fund Estimates
- Sales Tax Growth
- 2009 Revenue Outlook
- 2009 Expenditure Increases
- 2009 General Fund Summary
- Options Considered
- Recommendations

2008 General Fund Estimates

"How Are We Doing"

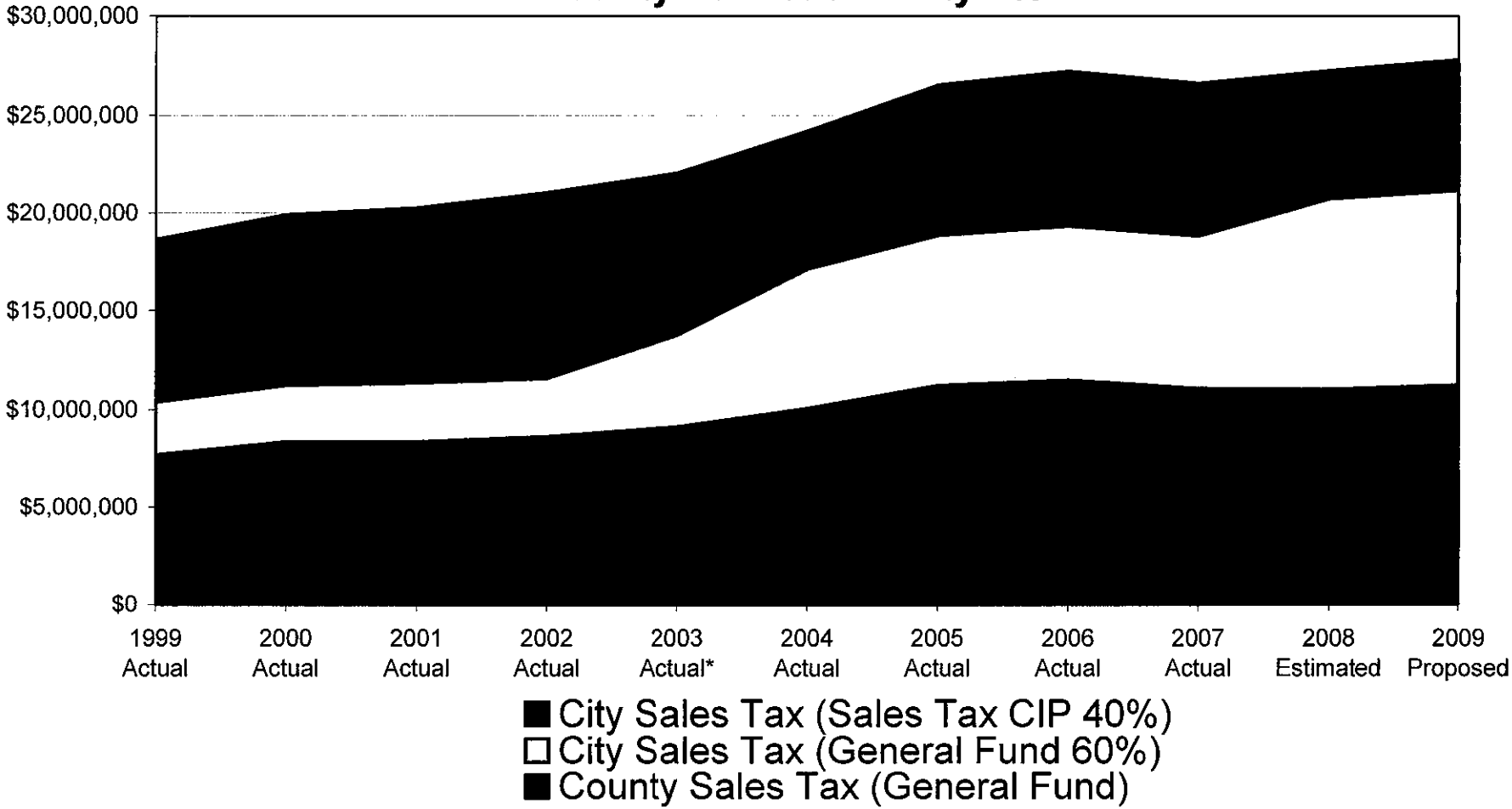
A. 1
2008 Millage Levy
Page 15 of 48

General Fund Budget (2008 Estimates)

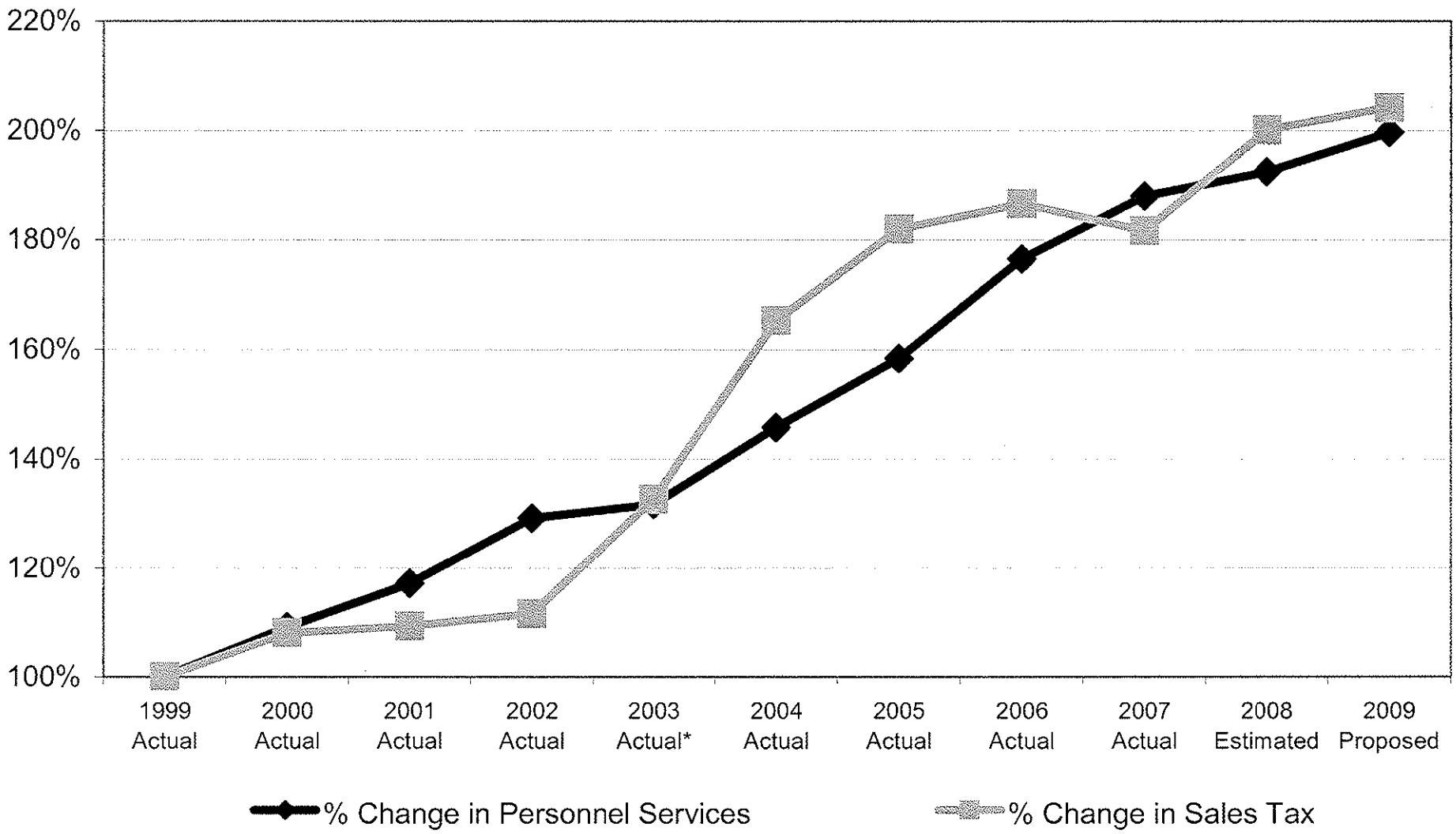
	Adopted 2008 Budget	Estimated 2008	Variance Amount	Variance %
Operating Revenues:				
Property Tax (7.9% Growth)	$ 1,437,900	$ 1,455,000	$ 17,100	1.2%
Sales Tax - County (2% Growth)	11,175,000	11,007,000	(168,000)	-1.5%
Sales Tax - City (2% Growth)	9,379,000	9,754,000	375,000	4.0%
Alcoholic Beverage Taxes	463,600	463,600	0	0.0%
Franchise Fees	4,898,300	4,898,300	0	0.0%
Licenses & Permits	1,316,300	1,316,300	0	0.0%
Intergovernmental	2,067,700	2,067,700	0	0.0%
Charges for Services	1,601,400	1,510,228	(91,172)	-5.7%
Fines & Forfeitures	1,585,600	1,585,600	0	0.0%
Investment Earnings	584,000	376,000	(208,000)	-35.6%
Other	203,200	203,200	0	0.0%
Transfer - Sales Tax Capital Fund	311,000	311,000	0	0.0%
Total Revenues	35,023,000	34,947,928	(75,072)	-0.2%
Operating Expenditures:				
General Government:	3,264,092	3,210,599	53,493	-1.6%
Salary Contingency	504,000	504,000	0	0.0%
Turnover Allowance	(316,700)	0	(316,700)	-100.0%
Cost Reimbursements	(2,199,232)	(2,199,232)	0	0.0%
Outside Agencies	735,235	735,235	0	0.0%
Fayetteville Public Library	1,587,901	1,587,901	0	0.0%
Operations	7,596,818	7,432,705	164,113	-2.2%
Finance	2,667,741	2,616,699	51,042	-1.9%
Police	12,964,095	12,802,009	162,086	-1.3%
Fire	8,219,050	8,106,573	112,477	-1.4%
Total Expenditures	35,023,000	34,796,489	226,511	-0.6%
Operating Income (Loss)	$ 0	$ 151,439	$ 151,439	

Sales Tax Growth

Total Sales Tax Collections
County Turnback / City 1%



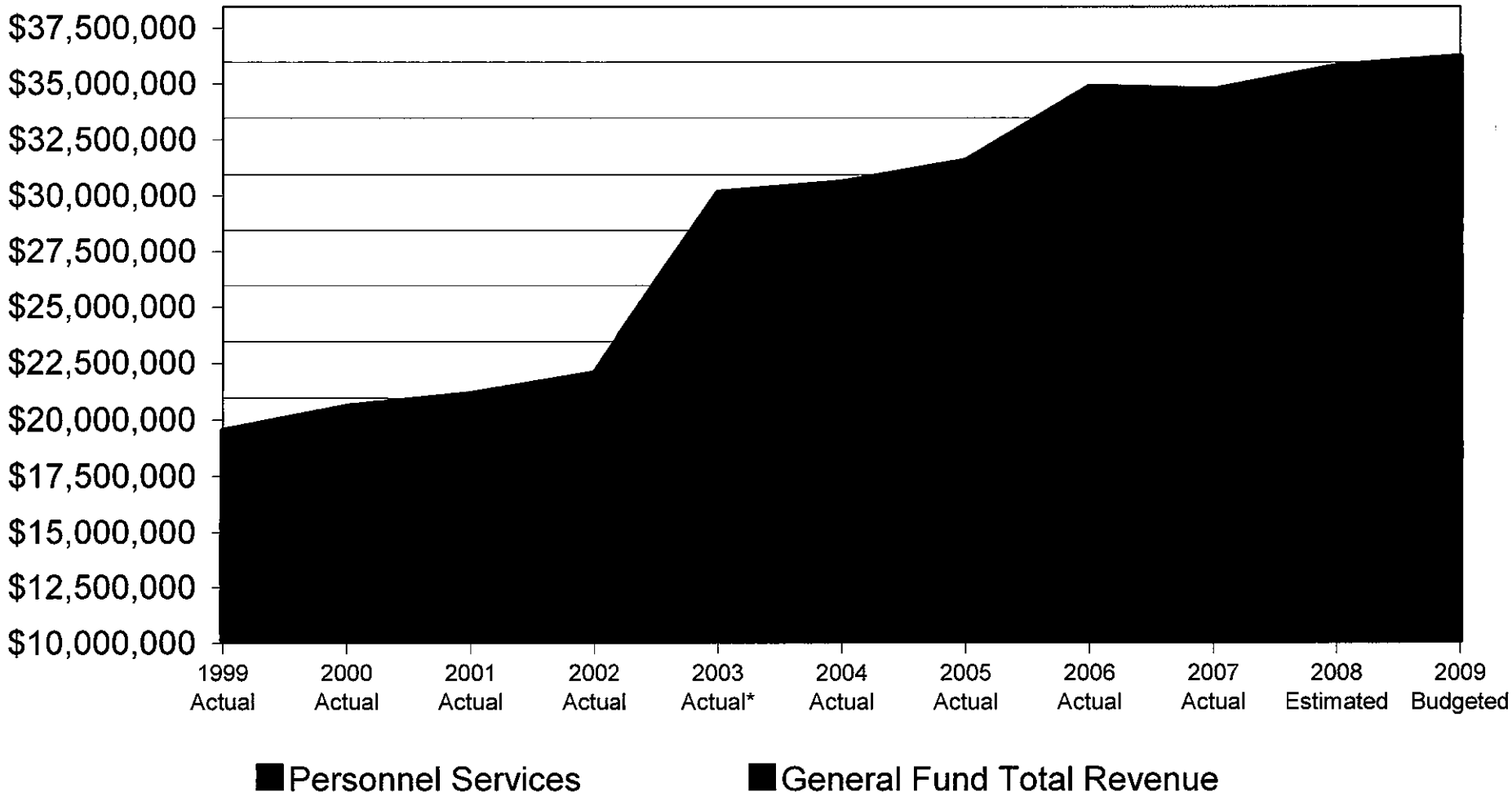
Cumulative % Growth (1999-2009)
General Fund Personnel Services Costs and Sales Tax Collections



Personnel Services
As a Portion of Total Revenue

Fayetteville
ARKANSAS

General Fund Revenue Vs. Personnel Services Expense



*Starting with July 2003 Sales Tax Collections, The General Fund allocation from the City's 1¢ Sales Tax was changed to 50%. Prior to July 2003, the allocation was 25% General Fund and 75% Sales Tax Capital Improvements Fund. In 2008, the General Fund allocation from the City's 1¢ Sales Tax was changed to 60%.

2009 Revenue Outlook

Fayetteville
ARKANSAS

2009 General Fund Proposed Budget - Revenue Highlights

Revenue Source	Budgeted 2008	Budgeted 2009	Change 2008/2009 Amount
Sales Tax Revenue	$ 20,554,000	$ 21,176,000	$ 622,000
Property Tax Revenue	1,437,900	1,570,000	132,100
All Other Revenue	12,136,100	12,257,000	120,900
Investment Earnings	584,000	381,000	(203,000)
Transfer from Capital Improvements	311,000	0	(311,000)
	$ 35,023,000	$ 35,384,000	$ 361,000

- Sales Tax for 2009 is 2% over Estimated 2008.
- Sales Tax Collections for 2008 are projected to be $207,000 higher than Budget.
- Property Tax for 2009 is 7.9% over Estimated 2008.
- All Other Revenue for 2009 is Projected to grow 1.0% over the Adopted 2008 Budget.
- Investment Earnings is Projected to decrease by 34.8% when compared to 2008 Budget.
- The "One-Time" Transfer from Capital Improvements was removed from 2009.
- Revenue for 2009 is Projected at 1% Growth over the Adopted 2008 Budget.

2009 Expenditure Outlook

Fayetteville
ARKANSAS

2009 Budget Requests

- Target Adjustments
- Funding Additions:
  - Fuel and Necessities Only
  - No New Personnel
  - COLA Not Budgeted

2009 Proposed General Fund Budget:
- Target Adjustments

Target Changes (Summary)	*Change 2009-2008*
Personnel Services:	
Public Safety Progression and General Employee Merit Increases	$ 404,267
LOPFI Contribution Rate by 1% (Police 15.52% / Fire 21.52%)	165,615
Fire & Police (2008 Salary Reductions One Time) Added Back Into 2009	87,577
Health Insurance (Increase in # of Employees on Family)	41,977
Workers Compensation Rates	25,000
Salary Contingency	(69,000)
Other Salary/Benefit Adjustments Due to Turnover	(49,304)
2.1% Increase Over Adopted 2008	**606,132**
Non Personnel	
Motorpool Schedule - 2009 Rate Adjustments	54,688
Annual Radio Maintenance Contract - 2009 Rate Increase	27,410
Annual Audit Allocation - 2009 Increase	1,300
Insurance - Buildings/Vehicles/Personal Liability - 2009 Rate Change	(26,294)
Internal Cost Reimbursement Allocation to Other Funds - 2009 Increase	(54,840)
	2,264
1.7% Increase Over Adopted 2008	$ 608,396

A. 1
2008 Millage Levy
Page 26 of 48

2009 Proposed General Fund Budget:
- Funding Additions / (Reductions)

NO COLA IS INCLUDED

Funding Additions / (Reductions) by Department:		*Funding Additions*	*Department Total*
General Government:	Ozark Regional Transit	68,334	
	Citizen Survey for 2009	30,000	
	Fayetteville Public Library	24,913	
	Overtime	3,643	
	Software Maintenance / Color Copies	1,369	
	Agreed Upon Miscellaneous Reductions	(17,250)	
	Educational Reimbursements	(15,000)	**96,009**
Operations	Fuel cost increase	20,431	
	Motorpool	18,234	
	Uniforms	600	
	Freezing of the Planning & Development Director	(79,927)	**(40,662)**
Finance Department:	Software Maintenance	11,800	
	Office Machine Maintenance	7,300	**19,100**
Police Department:	Fuel cost increase	99,329	
	Jail Contract	29,985	
	Laptop Data Access Enhancements (Air Cards)	19,800	
	Motorpool	8,753	
	Ammunition	5,000	**162,867**
Fire Department:	Salary Requirements for Training	29,100	
	Laptop Data Access Enhancements (Air Cards)	14,400	
	Fuel cost increase	11,830	
	Fire Fighting supplies	7,456	
	Software Maintenance	1,984	
	Travel & Training / Motorpool Reductions	(14,080)	**50,690**
			$ 288,004

2009 General Fund Summary

"Bringing it All Together"

Summary of Changes over 2008 Adopted

Additional Revenue	$	361,000
Target Adjustments		(608,396)
Funding Additions*		(288,004)
Operating Income (Loss)	$	(535,400)

* Over $131,000 is Related to Fuel Costs

2009 General Fund Budget Summary

	Adopted 2008	Target Budget 2009	% Change	Budgeted 2009	% Change
Operating Revenues:					
Property Tax (7.9% Growth)	$ 1,437,900	$ 1,570,000	9.2%	$ 1,570,000	9.2%
Sales Tax - County (2% Growth)	11,175,000	11,227,000	0.5%	11,227,000	0.5%
Sales Tax - City (2% Growth)	9,379,000	9,949,000	6.1%	9,949,000	6.1%
Alcoholic Beverage Taxes	463,600	478,000	3.1%	478,000	3.1%
Franchise Fees	4,898,300	5,020,000	2.5%	5,020,000	2.5%
Licenses & Permits	1,316,300	1,332,000	1.2%	1,332,000	1.2%
Intergovernmental	2,067,700	2,139,000	3.4%	2,139,000	3.4%
Charges for Services	1,601,400	1,568,000	-2.1%	1,568,000	-2.1%
Fines & Forfeitures	1,585,600	1,616,000	1.9%	1,616,000	1.9%
Investment Earnings	584,000	381,000	-34.8%	381,000	-34.8%
Other	203,200	104,000	-48.8%	104,000	-48.8%
Transfer In - Sales Tax Capital Improvements	311,000	0	-100.0%	0	-100.0%
Total Revenues	35,023,000	35,384,000	1.0%	35,384,000	1.0%
Operating Expenditures:					
General Government:	3,264,092	3,246,609	-0.5%	3,249,371	-0.5%
Salary Contingency	504,000	435,000	-13.7%	435,000	-13.7%
Turnover Allowance	(316,700)	(316,700)	0.0%	(316,700)	0.0%
Cost Reimbursements	(2,199,232)	(2,279,159)	3.6%	(2,279,159)	3.6%
Outside Agencies	735,235	735,235	0.0%	803,569	9.3%
Fayetteville Public Library	1,587,901	1,588,303	0.0%	1,613,216	1.6%
Operations	7,596,818	7,769,864	2.3%	7,729,202	1.7%
Finance	2,667,741	2,720,915	2.0%	2,740,015	2.7%
Police	12,964,095	13,309,667	2.7%	13,472,534	3.9%
Fire	8,219,050	8,421,662	2.5%	8,472,352	3.1%
Total Expenditures	35,023,000	35,631,396	1.7%	35,919,400	2.6%
Operating Income (Loss)	$ 0	$ (247,396)		$ (535,400)	
Target Requests Not Approved:				$ 282,036	

2009 General Fund Budget by Function

"How Is Our Budget Spent?"

2009 Proposed General Fund Budget:
Budget by Function

Budget by Function	*Adopted 2008*	*% Total*	*Proposed 2009*	*% Total*
Police	$ 12,964,095	37.0%	$ 13,472,534	37.5%
Fire	8,219,050	23.5%	8,472,352	23.6%
Operations	7,596,818	21.7%	7,729,202	21.5%
General Government	2,851,290	8.1%	2,891,967	8.1%
Finance	2,667,741	7.6%	2,740,015	7.6%
Fayetteville Public Library	1,587,901	4.5%	1,613,216	4.5%
Cost Reimbursement	(2,199,232)	-6.2%	(2,279,159)	-6.2%
Miscellaneous:				
Salary Contingency	504,000	1.4%	435,000	1.2%
Turnover Allowance	(316,700)	-0.9%	(316,700)	-0.9%
Materials & Supplies	10,064	0.0%	35,667	0.1%
Services & Charges	317,233	0.9%	251,232	0.7%
Maintenance	10,505	0.0%	10,505	0.0%
Capital	10,000	0.0%	10,000	0.0%
Educational Reimbursements	65,000	0.2%	50,000	0.1%
Outside Agencies	429,666	1.3%	498,000	1.4%
Transfer to CEMS	268,632	0.8%	268,632	0.7%
NWA Regional Planning	36,937	0.1%	36,937	0.1%
	1,335,337	3.8%	1,279,273	3.4%
Total	$ 35,023,000	100.0%	$ 35,919,400	100.0%

Public Safety is approximately $22,000,000 or 61.1% of the budget.

A. 1
2008 Millage Levy
Page 32 of 48

2009 General Fund Budget by Category

"Where Is Our Budget Spent?"

Fayetteville ARKANSAS

2009 Proposed General Fund Budget:

Budget by Category (% of Total)

Budget by Category	*Adopted 2006*	*Adopted 2007*	*Adopted 2008*	*Proposed 2009*
Personnel Services	80.5%	82.5%	83.0%	82.6%
Materials & Supplies	2.4%	2.0%	1.9%	1.9%
Fuel	1.0%	1.1%	1.2%	1.5%
Services & Charges	8.7%	7.9%	8.0%	7.8%
Motorpool Charges	2.9%	2.7%	2.3%	2.5%
Cost Reimbursements	-6.2%	-6.4%	-6.3%	-6.4%
Maintenance	2.5%	2.4%	2.6%	2.8%
Outside Agencies	7.4%	7.0%	6.6%	6.7%
Capital	0.1%	0.1%	0.0%	0.0%
Transfers to Funds	0.6%	0.6%	0.7%	0.6%
Total	100.0%	100.0%	100.0%	100.0%

A. 1
2008 Millage Levy
Page 34 of 48

2009 Proposed General Fund Budget:

Budget by Category

Budget by Category	*Adopted 2006*	*Adopted 2007*	*Adopted 2008*	*Proposed 2009*	*Change 2009-2008*	*% Chg*
Personnel Services	25,955,387	28,298,597	29,067,342	29,673,474	606,132	2.1%
Non-Personnel Items:						
Materials & Supplies	782,624	694,243	682,322	675,614	(6,708)	-1.0%
Fuel	315,359	381,138	417,153	556,139	138,986	33.3%
Services & Charges	2,793,941	2,722,052	2,804,697	2,787,512	(17,185)	-0.6%
Motorpool Charges*	939,633	929,984	797,098	884,672	87,574	11.0%
Cost Reimbursements	(1,995,016)	(2,199,232)	(2,205,551)	(2,285,478)	(79,927)	3.6%
Maintenance	813,552	838,124	909,381	989,839	80,458	8.8%
Outside Agencies / Library	2,388,562	2,403,449	2,301,381	2,394,628	93,247	4.1%
Capital	40,750	25,750	16,177	10,000	(6,177)	-38.2%
Transfers to Funds	205,000	208,095	233,000	233,000	-	0.0%
	6,284,405	6,003,603	5,955,658	6,245,926	290,268	4.9%
Total	32,239,792	34,302,200	35,023,000	35,919,400	896,400	2.6%

* New Equipment & Increased Maintenance/Replacement Charges

What Were The Options We Considered:

1) Increase Millage
2) Transfer from Capital Program
3) Cut Program Services
4) Use Cash Reserves

Property Tax Increase

Transfer from Capital Program

2008 - 2012 Capital Improvements Program
Sales Tax Capital Improvements Fund

	Adopted 2008	Proposed 2009	Proposed 2010	Proposed 2011	Proposed 2012
Revenues:					
Sales Tax (2% Growth)	$ 6,253,000	$ 6,633,000	$ 6,832,000	$ 7,037,000	$ 7,248,000
Charges for Services	212,000	-	-	-	-
Investment Earnings	605,000	250,000	250,000	250,000	250,000
Transfer from Replacement Fund	117,600	-	-	-	-
	7,187,600	6,883,000	7,082,000	7,287,000	7,498,000
Expenditures:					
Audit Expense	6,400	6,700	7,000	7,400	7,800
Fire Improvements	-	817,500	-	-	-
Police Improvements	342,000	391,000	411,000	411,000	411,000
Library Improvements	325,000	341,000	358,000	358,000	358,000
Parks & Recreation Improvements	258,000	117,000	121,000	45,000	45,000
Bridge & Drainage Improvements	413,000	649,000	786,000	786,000	786,000
Street Improvements	91,000	214,000	613,000	190,000	190,000
Transportation Improvements	307,000	172,000	182,000	182,000	182,000
In-House Pavement Improvements	1,600,000	1,218,800 *	1,909,000 *	2,198,600	2,211,000
Sidewalk Improvements	757,000	787,000	843,000	843,000	843,000
Trail Improvements	500,000	1,300,000	500,000 **	1,300,000	1,300,000
Information Technology Improvements	293,000	335,500	308,000	323,000	323,000
District Court & Prosecutor Facility	665,000	-	-	-	-
Other Capital Improvements	235,000	253,500	243,000	243,000	243,000
Fire Improvements Leasing Payments:					
Fire Apparatus Lease Payments - BoA	230,000	-	-	-	-
Transfer to Fire Bond Fund	802,700	280,000	801,000	400,000	-
Transfer to General Fund	311,000	-	-	-	-
Police Building Reserve	-	-	-	-	598,200
	$ 7,136,100	$ 6,883,000	$ 7,082,000	$ 7,287,000	$ 7,498,000
Income / (Loss)	$ 51,500	$ -	$ -	$ -	$ -

* To be supplemented by Street Fund reserves.

** To be supplemented by 2nd Installment of Approved Sales Tax Bond issue.

Cut Program Services

Cut Program Services

1) Cuts were made in the 2008 Budget.
2) Departments must already cut back as commodity and contractual services costs are rapidly rising due to inflation.

Use Cash Reserves

General Fund
2008 Estimated Compared to 2009 Proposed Budget

UNDESIGNATED FUND BALANCE ANALYSIS

	Estimated 2008	Budgeted 2009
Beginning Undesignated Fund Balance (After Rebudgets)	$ 7,936,796	$ 8,088,235
Total Operating Sources/(Uses)	151,439	(535,400)
Ending Undesignated Fund Balance	$ 8,088,235	$ 7,552,835
Less: Reserve Required by Policy	(5,500,000)	(5,500,000)
Undesignated Fund Balance Available	$ 2,588,235	$ 2,052,835

Administration Recommendations

A. 1
2008 Millage Levy
Page 44 of 48

Administration Recommendations

1) To keep the millage rate for the General Fund at the current 1.3 mil level.

2) To keep the capital program funding at the current level.

3) To fund the revenue shortfall of $535,400 for the General Fund with reserves.

From: Clarice Pearman
To: Becker, Paul
Date: 9.19.08 4:33 PM
Subject: Ord. 5178
Attachments: 5178 2008 Millage Tax Levy.pdf

CC: Audit; Smith, Sondra

Paul:
Attached is a copy of the above ordinance passed by City Council, September 16, 2008 regarding the 2008 millage tax levy. Please let me know if there is anything else needed for this item. Have a good day.
Thanks.
Clarice

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Arkansas Democrat Gazette
NORTHWEST ARKANSAS EDITION
Northwest Arkansas Times
Benton County Daily Record
P. O. BOX 1607
FAYETTEVILLE, AR 72702
PHONE: 479-571-6421

AFFIDAVIT OF PUBLICATION

I, Cathy Wiles, do solemnly swear that I am Legal Clerk of the Arkansas Democrat Gazette newspaper. Printed and published in Benton County Arkansas, (Lowell) and that from my own personal knowledge and reference to the files of said publication, the advertisement of: City of Fayetteville Ordinance 5178

Sept. 25, 2008

Publication Charge : $73.85

Subscribed and sworn to before me
This 30 day of September , 2008.

Notary Public Elizabeth A. Jarvis

My Commission Expires: May 6, 2012

ELIZABETH A. JARVIS
MY COMM. EXP.
NOTARY
PUBLIC
MAY 06, 2012
WASHINGTON CO., ARKANSAS

Do not pay from Affidavit, an invoice will be sent

RECEIVED

OCT 02 2008

CITY OF FAYETTEVILLE
CITY CLERK'S OFFICE

ORDINANCE NO. 5178

AN ORDINANCE LEVYING A TAX ON THE REAL AND PERSONAL PROPERTY WITHIN THE CITY OF FAYETTEVILLE, ARKANSAS, FOR THE YEAR 2008 FIXING THE RATE THEREOF AT 1.3 MILLS FOR GENERAL FUND OPERATIONS, 0.4 MILLS FOR THE FIREMEN'S PENSION AND RELIEF FUND, 0.4 MILLS FOR THE POLICEMEN'S PENSION AND RELIEF FUND AND 1.0 MILL FOR THE FAYETTEVILLE PUBLIC LIBRARY; AND CERTIFYING THE SAME TO THE COUNTY CLERK OF WASHINGTON COUNTY, ARKANSAS

Fayetteville
ARKANSAS

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF FAYETTEVILLE, ARKANSAS:

Section 1: That a tax is hereby levied on the real and personal property within the City of Fayetteville, Arkansas, for the year 2008 to be collected in 2009 for the following purposes at the following rates:

REAL AND PERSONAL PROPERTY

Purpose	Levy	Purpose	Levy
General Fund – Operations	1.3 mills	Policemen's Pension Fund	0.4 mills
Fayetteville Public Library	1.0 mills	Firemen's Pension Fund	0.4 mills
		TOTAL	3.1 mills

Section 2: That the real and personal property tax so levied and the rates provided therefore are hereby certified to the Clerk of Washington County, Arkansas, to be placed in the tax book by the County Clerk and collected in the same manner that the county and school district taxes are collected.

Section 3: The City Clerk is hereby authorized and directed to file certified copies of this ordinance in the office of the County Recorder, County Clerk, County Assessor, and the County Tax Collector for Washington County, Arkansas.

PASSED and APPROVED this 16th day of September, 2008.

APPROVED: DAN COODY, Mayor ATTEST: SONDRA E. SMITH, City Clerk/Treasurer

Mayor Dan Coody

City Attorney Kit Williams

City Clerk Sondra Smith

Aldermen

Ward 1 Position 1 – Adella Gray
Ward 1 Position 2 – Brenda Thiel
Ward 2 Position 1 – Kyle B. Cook
Ward 2 Position 2 – Nancy Allen
Ward 3 Position 1 – Robert K. Rhoads
Ward 3 Position 2 – Robert Ferrell
Ward 4 Position 1 – Shirley Lucas
Ward 4 Position 2 – Lioneld Jordan

Special Final Agenda
City of Fayetteville Arkansas
City Council Meeting
October 28, 2008

A special meeting of the Fayetteville City Council will be held on October 28, 2008 at 5:30 PM in Room 219 of the City Administration Building located at 113 West Mountain Street, Fayetteville, Arkansas.

Call to Order

Roll Call

Pledge of Allegiance

A. Unfinished Business

1. **2008 Millage Levy:** An ordinance levying a tax on the real and personal property within the City of Fayetteville, Arkansas for the year 2008 fixing the rate thereof at 1.3 mills for General Fund Operations, 0.4 mills for the Firemen's Pension and Relief Fund, 0.4 mills for the Policemen's Pension and Relief Fund and 1.0 mill for the Fayetteville Public Library; and certifying the same to the County Clerk of Washington County, Arkansas. ***This ordinance was approved at the September 16, 2008 City Council meeting. A motion was made and passed to reconsider the ordinance at the October 7, 2008 City Council meeting. This ordinance was left on the Third Reading at the October 7, 2008 City Council meeting and tabled to the October 21, 2008 City Council meeting. This ordinance was left on the Third Reading at the October 21, 2008 City Council meeting and tabled to a Special City Council meeting on October 28, 2008.***

   Left on the Third Reading

   PASSED AND SHALL BE RECORDED AS ORDINANCE NO. 5189.

Adjournment: Meeting adjourned at 6:05 p.m.

NOTICE TO MEMBERS OF THE AUDIENCE

All interested parties may appear and be heard before the City Council. If you wish to address the City Council on an agenda item please queue behind the podium when the Chair asks for public comment. Once the chair recognizes you, go to the podium and give your name and address. Address your comments to the Chair, who is the presiding officer. The Chair will direct your comments to the appropriate elected official, staff member or others for response. Please keep your comments brief, to the point and relevant to the agenda item being considered so that everyone has a chance to speak.

Interpreters or TDD for hearing impaired are available for all City Council meetings, a 72 hour advance notice is required. For further information or to request an interpreter, please call 575-8330.

As a courtesy please turn off all cell phones and pagers.

A copy of the City Council agenda is available at accessfayetteville.org or in the office of the City Clerk, 113 West Mountain, Fayetteville, Arkansas.

Mayor Dan Coody

City Attorney Kit Williams

City Clerk Sondra Smith

Aldermen

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City Council Meeting: October 28, 2008 **Adjourn:** 6:05 PM

Subject:	**Roll**				
	Jordan	✓			
	Gray	absent			
	Thiel	✓			
	Cook	✓			
	Allen	✓			
	Rhoads	✓			
	Ferrell	✓			
	Lucas	✓			
	Mayor Coody	✓			

8-0

Subject:	**2008 Millage Levy**				
Motion To:		Amend to Add ½ Mill to General Fund Millage			Pass as Previously proposed
Motion By:		Cook			
Seconded:		No Second			
B. 1 Unfinished Business	**Jordan**				✓
	Gray				absent
	Thiel				✓
	Cook				✓
	Allen				✓
	Rhoads				✓
	Ferrell				✓
	Lucas				✓
	Mayor Coody				

Passed

5189

Motion dies due to lack of a Second

7-0

FAYETTEVILLE

THE CITY OF FAYETTEVILLE, ARKANSAS

KIT WILLIAMS, CITY ATTORNEY
DAVID WHITAKER, ASST. CITY ATTORNEY

DEPARTMENTAL CORRESPONDENCE

LEGAL DEPARTMENT

TO: **Dan Coody**, Mayor

THRU: **Sondra Smith**, City Clerk

FROM: **Kit Williams**, City Attorney

DATE: **October 28, 2008**

RE: **Ordinance passed at the Special City Council meeting of October 28, 2008**

1. 2008 Millage Levy: An Ordinance levying a tax on the real and personal property within the City of Fayetteville for the year 2008 fixing the rate thereof at 1.3 mills for General Fund Operations, 0.4 mills for the Firemen's Pension and Relief Fund, 0.4 mills for the Policemen's Pension and Relief Fund and 1.0 mill for the Fayetteville Public Library and certifying the same to the County Clerk of Washington County, Arkansas.

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Northwest Arkansas Times
Benton County Daily Record
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FAYETTEVILLE, AR 72702
PHONE: 479-571-6421

AFFIDAVIT OF PUBLICATION

I, Cathy Wiles, do solemnly swear that I am Legal Clerk of the Arkansas Democrat Gazette newspaper. Printed and published in Benton County Arkansas, (Lowell) and that from my own personal knowledge and reference to the files of said publication, the advertisement of: City of Fayetteville Final Agenda

October 27, 2008

Publication Charge : $58.03

Signed: Cathy Wiles

Subscribed and sworn to before me
This 29 day of October , 2008.

Notary Public Elizabeth A. Jarvis

My Commission Expires: May 6, 2012

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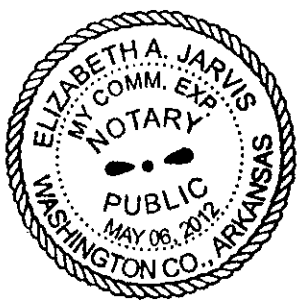

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October 28, 2008

Fayetteville
ARKANSAS

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Left on the Third Reading
Adjournment: