ORDINANCE NO. 5437

AN ORDINANCE TO REQUIRE THE MAYOR AND COUNCIL TO ADOPT A FIVE YEAR STRATEGIC BUSINESS PLAN THAT INCLUDES OPERATING AND CAPITAL PROJECTIONS FOR THE CITY AND TO ESTABLISH PROCEDURES FOR ADOPTION OF AN ANNUAL CONSOLIDATED OPERATING AND CAPITAL BUDGET.

WHEREAS, The Council has determined it to be desirable that the City set forth procedures for the development of a Five Year Strategic Plan and for the clarification of a process for the development and presentation of an annual consolidated and capital budget.

SECTION 1. NOW, THEREFORE BE IT ORDAINED BY THE COUNCIL OF THE CITY OF MEMPHIS, by the Memphis City Council that the Code of Ordinances of the City of Memphis, Tennessee, Chapter 2 - Administration, Article VI, Finances, Purchasing and Disposition of Property - be amended by adding a new section 2-280 which will read as follows:

Sec. 2-280.

(a) Strategic Business Plan.

1. Each year, the Mayor shall submit to the City Council a six year strategic operating plan and a six year strategic capital plan, which together shall serve as a strategic business plan for the city. The Mayor shall present annually major changes in the budgets and plans.

2. The operating plan shall detail the revenues and expenses of the city government and shall contain:

A. Reasonable estimates of revenues to be received and classified according to source.

B. Proposed operating expenditures by each organizational unit in accordance with an established classification of accounts, including personnel and related costs, operating expenses, capital outlays to be financed from the revenues of the ensuing years, and all debt service requirements.

C. Confirmation by the Director of Finance that the total proposed expenditures from any fund do not exceed the total anticipated revenues, plus proposed use of existing unappropriated fund balances and applicable reserves, less any estimated deficit at the end of the current fiscal year.

D. A list of all capital projects that are expected to be put into service in each year and individual estimates of the continuing revenues and expenses directly associated with each project.

3. The capital plan shall detail the program of proposed expenditures for capital improvements for the city government and shall contain:

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A. A list of all proposed capital projects detailed by each organizational unit, including an estimate of the total cost of each project detailed by fiscal year and the method of financing each project.

B. Projected annual operating revenues and expenditures directly associated with each project.

C. The impact on the debt structure.

D. The cost of operating and maintaining all such projected capital projects.

(b) Annual Consolidated Budget.

1. By the fifteenth day of February, the Director of Finance shall distribute the requirements for the preparation of the operating and capital plans. By the fifteenth day of March, each governmental unit shall transmit the information requested to the Director of Finance.

2. Each year the Mayor shall submit the consolidated budget proposal to the Council not later than the first meeting of the Council in April and shall provide a budget message concerning the general fiscal policies and important features.

3. The operating budget shall provide for all expenditures required by law or Home Rule Charter and for all debt service requirements for the ensuing fiscal year as certified by the Director of Finance. In no event shall the total appropriations from any fund exceed the estimated fund balance, reserves, and revenues of that fund.

4. The Council shall adopt the operating budget not later than the fifteenth day of June. The budget resolution shall specify estimated revenues by source and make appropriations according to fund and by organizational unit, purpose, and activity.

5. The Council shall adopt the capital budget not later than the fifteenth day of June. The adopted capital budget shall detail the capital expenditures intended to be made or incurred in the ensuing fiscal year that are to be financed from funds subject to the control or appropriation of the Council.

6. Each year, the City Council shall set the tax rate for the City of Memphis government in accordance with the annual consolidated budget.

7. The Mayor may submit amendments to the operating and capital budgets for approval by the Council. All such amendments shall be accompanied by a certification by the Director of Finance as to the availability of funds. All amendments to the capital budget shall also be accompanied by the recommendation of the officer of the city government responsible for planning.

8. No later than thirty days after the last day of each quarter, the Director of Finance shall present reports to the Council relative to the operating budget, capital budget, actual

expenditures and revenues, and impact on the strategic business plan of the City of Memphis.

SECTION 2. BE IT FURTHER ORDAINEDBY THE COUNCIL OF THE CITY OF MEMPHIS, that Sec. 2-274 of the Code of Ordinances of the City of Memphis, Tennessee pertaining to budget process deadlines is hereby deleted.

SECTION 3. BE IT FURTHER ORDAINED that the provisions of this Ordinance are hereby severable. If any of these sections, provisions, sentences, clauses, phrases, or parts is held unconstitutional or void, the remainder of this Ordinance shall continue in full force and effect.

SECTION 4. BE IT FURTHER ORDAINED that this ordinance shall take effect on the later of after it is passed by the Council, signed by the Chairman of the Council, certified and delivered to the Office of the Mayor in writing by the comptroller and become effective as otherwise provided by law.

KEMP CONRAD
Council Member

BILL MORRISON
Council Chairman

Attest:
Patrice Thomas, Comptroller

THE FOREGOING ORDINANCE
5437 PASSED
1st Reading 1-3-2012
2nd Reading 1-17-2012
3rd Reading 2-3-2012
Approved Edmund A. Ford
Chairman of Council
Date Signed: 7/17/2012
Approved:
Mayor, City of Memphis
Date Signed: 7/20/2012

I hereby certify that the foregoing is a true copy, and said document was adopted by the Council of the City of Memphis as above indicated and approved by the Mayor.
Valerie C. Snipes
Comptroller