

REFERENDUM ORDINANCE NO. _____

AN ORDINANCE TO AMEND THE CHARTER OF THE CITY OF MEMPHIS, SAME BEING CHAPTER 11 OF THE ACTS OF 1879, AS AMENDED, PURSUANT TO THE PROVISIONS OF ARTICLE 11, SECTION 9 OF THE CONSTITUTION OF THE STATE OF TENNESSEE (HOME RULE AMENDMENT) SO AS TO REQUIRE THE MAYOR AND COUNCIL TO ADOPT A FIVE YEAR STRATEGIC BUSINESS PLAN AND A SIX YEAR CONSOLIDATED BUDGET THAT INCLUDES BOTH THE OPERATING AND CAPITAL BUDGETS FOR THE CITY AND TO SUBMIT THE PROPOSED ORDINANCE TO THE QUALIFIED VOTERS OF THE CITY OF MEMPHIS AT THE FIRST GENERAL STATE ELECTION TO BE HELD NOVEMBER 8, 2012.

WHEREAS, Article 11, Section 9 of the Constitution of the State of Tennessee provides that it shall be the duty of the legislative body of such municipality to publish any proposal so made and to submit the same to its qualified voters at the first general state election which shall be held at least sixty (60) days after such publication and such proposal shall become effective sixty (60) days after approval by a majority of the qualified voters voting thereon.

Section 1. Proposed Amendment.

NOW, THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF MEMPHIS and submitted by the City of Memphis to its qualified voters at the first general state election, which shall be held in the City of Memphis on November 8, 2012, and which shall be held at least sixty (60) days after such publication:

QUESTION:

Shall the Home Rule Charter of the City of Memphis, Tennessee, be amended to require the Mayor and Council to annually adopt a five year strategic business plan and a six year consolidated budget that includes both the operating and capital budgets for the City by adding the following provisions to read as follows?

- A. Each year, the Mayor shall submit to the City Council a fiscal report on the operation of the government and a consolidated budget. The consolidated budget shall include a six year operating plan and a six year capital plan, which together shall serve as a strategic business plan for the city. The first years in those plans shall be the operating and capital budgets for the next fiscal year, and they shall be in balance.
- B. Each year, the City Council shall set the tax rate for the City of Memphis government in accordance with the annual consolidated budget.
- C. The operating plan shall detail the revenues and expenses of the city government and shall contain:

1. Reasonable estimates of revenues to be received and classified according to source.
2. 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.
3. 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.
4. 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.

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

1. 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.
2. Projected annual operating revenues and expenditures directly associated with each project.
3. The impact on the debt structure.
4. The cost of operating and maintaining all such projected capital projects.

E. 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.

F. 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, important features, and major changes in the budgets and plans.

G. 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. The Council shall not alter the estimates of receipts or other fund availability included in the Mayor's budget proposal without the consent of the Mayor and Director of Finance, except to correct errors and omissions. In no event shall the total appropriations from any fund exceed the estimated fund balance, reserves, and revenues of that fund.

H. 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.

I. 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.

J. 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.

K. 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. Publication of Home Rule Amendment

BE IT FURTHER ORDAINED, That the Comptroller is hereby directed to cause the Ordinance to be published pursuant to provisions of Article 11, Section 9 of the Constitution of the State of Tennessee.

Section 3. Delivery to Election Commission

BE IT FURTHER ORDAINED, That the Comptroller of the City of Memphis shall certify adoption of this Ordinance to the Shelby County Election Commission in charge of holding the general State election on November 8, 2012, and request that this proposed amendment to the Home Rule Charter of the City of Memphis be placed on the ballot.

Section 4. Proposal and preference

BE IT FURTHER ORDAINED, That the Comptroller of the City of Memphis is hereby directed to deliver a copy of this Ordinance to the Shelby County Election Commission, together with a suggested proposal and the following form of preference to be placed on the ballot in an election to be held on the 8th day of November 2012:

REFERENDUM ORDINANCE REQUIRING THE MAYOR AND CITY COUNCIL TO ADOPT A FIVE YEAR STRATEGIC BUSINESS PLAN AND A SIX YEAR

CONSOLIDATED BUDGET THAT INCLUDES BOTH THE OPERATING AND CAPITAL BUDGETS FOR THE CITY EACH FISCAL YEAR

Said ordinance of the City of Memphis was adopted on the ___ day of _____, 2011, to provide for referendum vote on a Home Rule amendment to the Charter of the City of Memphis, to read as follows:

Shall the Home Rule Charter of the City of Memphis, Tennessee, be amended to require the Mayor and Council to annually adopt a five year strategic business plan and a six year consolidated budget that includes both the operating and capital budgets for the City by adding the following provisions to read as follows?

- A. Each year, the Mayor shall submit to the City Council a fiscal report on the operation of the government and a consolidated budget. The consolidated budget shall include a six year operating plan and a six year capital plan, which together shall serve as a strategic business plan for the city. The first years in those plans shall be the operating and capital budgets for the next fiscal year, and they shall be in balance.
- B. Each year, the City Council shall set the tax rate for the City of Memphis government in accordance with the annual consolidated budget.
- C. The operating plan shall detail the revenues and expenses of the city government and shall contain:
 - 1. Reasonable estimates of revenues to be received and classified according to source.
 - 2. 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.
 - 3. 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.
 - 4. 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.
- L. The capital plan shall detail the program of proposed expenditures for capital improvements for the city government and shall contain:
 - 1. 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.

2. Projected annual operating revenues and expenditures directly associated with each project.
3. The impact on the debt structure.
4. The cost of operating and maintaining all such projected capital projects.

M. 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.

N. 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, important features, and major changes in the budgets and plans.

O. 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. The Council shall not alter the estimates of receipts or other fund availability included in the Mayor's budget proposal without the consent of the Mayor and Director of Finance, except to correct errors and omissions. In no event shall the total appropriations from any fund exceed the estimated fund balance, reserves, and revenues of that fund.

P. 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.

Q. 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.

R. 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.

S. 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.

I, Roland McElrath, Director of Finance for the City of Memphis do hereby certify that the net cost to the City if this Amendment is adopted is estimated to be \$_____.

FOR THE AMENDMENT (YES) _____

AGAINST THE AMENDMENT (NO) _____

Section 5. Effective Date of Charter Amendment

BE IT FURTHER ORDAINED, That this Ordinance shall take effect for the purposes set forth herein sixty (60) days after approval by a majority of the qualified voters voting thereon in an election to be held on the 8th day of November, 2012, the public welfare, requiring it.

Section 6. Certification of Results

BE IT FURTHER ORDAINED, That the Shelby County Election Commission certify the result of said election to the Comptroller of the City of Memphis, who shall see that said result is made a part of the Minutes of the Council of the City of Memphis.

Section 7. Nonconflicting – Conflicting Laws

BE IT FURTHER ORDAINED, That upon adoption of this Home Rule Amendment, all laws constituting the present Charter of the City of Memphis, not in conflict with this amendatory Home Rule Ordinance, be and the same are here continued in full force and effect, and all laws in conflict therewith are hereby repealed.

Section 8. Severability

BE IT FURTHER ORDAINED, that if any clause, section, paragraph, sentence or part of this Ordinance shall be held or declared to be unconstitutional and void, it shall not effect the remaining parts of this ordinance, it being hereby declared to be the legislative intent to have passed the remainder of this ordinance notwithstanding the parts so held to be invalid, if any.

Section 9. Publication

BE IT FURTHER ORDAINED, that this ordinance shall be published immediately after the adoption hereof.

Section 10. Enactment of City Ordinance

BE IT FURTHER ORDAINED, that this ordinance shall take effect from and after the date it shall have 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.

MYRON LOWERY
Chairman of Council