

Item #: 22

Moved by: SHAFER

Prepared by: Wanda Richards

Seconded by: BILLINGSLEY

Approved by: Kim Koratsky

RESOLUTION APPROVING AND APPROPRIATING SHELBY COUNTY  
GOVERNMENT'S OPERATING BUDGET FOR FISCAL YEAR 2015.  
SPONSORED BY COMMISSIONER HEIDI SHAFER.

---

WHEREAS, Pursuant to Article III, Section 3.03(B), of the Shelby County Charter, the Shelby County Mayor has presented a budget to the Board of Commissioners showing the sums necessary to carry out the functions of the County for the coming fiscal year; and

WHEREAS, The Board of County Commissioners is authorized to make appropriations of County Funds for all legal purposes and to appropriate the proceeds of the tax levy on the assessed values on all properties within the County of Shelby for the Fiscal Year July 1, 2014, through June 30, 2015; and

WHEREAS, Committee No. 1, Budget and Finance, of the Board of County Commissioners has reviewed the consolidated budget for Shelby County and recommends that total expenditures and transfers reflected in Exhibit A be approved in order to fund Shelby County Government's Operating Budget for Fiscal Year 2015, which is inclusive of all operating funds; and

WHEREAS, While funding or refunding bonds issued under the provisions of the Cash Basis Law of 1937 are outstanding, Tennessee Code Annotated, Section 9-11-112, requires the County to levy upon all taxable property in the County each year an ad valorem tax sufficient to pay the interest thereon as it falls due and the principal of such bonds which shall then have matured or which shall mature within the same fiscal year.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COUNTY

COMMISSIONERS OF SHELBY COUNTY, TENNESSEE, That the recommendation of this Board's Committee No. 1, Budget and Finance, regarding the budget as contained in Exhibit A, a copy of which is attached hereto and incorporated herein by reference, for the operation of Shelby County, be and the same is hereby approved in the total sum of \$1,162,873,755.

BE IT FURTHER RESOLVED, That \$1,197,461,227 is hereby appropriated as detailed on the Exhibit A Summary in order to fund the Shelby County Government's Operating Budget for the Fiscal Year 2015.

BE IT FURTHER RESOLVED, That the accounting and budget records for all funds shall be maintained according to the policies established by a Resolution adopted as Item No. 8 by this Commission on June 3, 2013.

BE IT FURTHER RESOLVED, That the budget be summarized into various funds, as identified in Exhibit A, which is attached and incorporated herein by reference, in order to meet legal requirements and generally accepted accounting principles and to comply with financial reporting standards for governmental entities.

BE IT FURTHER RESOLVED, That each office, department, and Elected Official which receives appropriations from the County Government shall adhere to the budget as finally approved by line item for said entity.

BE IT FURTHER RESOLVED, That the County retirement contribution for the Fiscal Year Ending June 30, 2015 shall be 13.26% as recommended by our actuaries based on the Actuarial Valuation Report as of July 1, 2013, and that amount shall be charged to operations as retirement expense.

BE IT FURTHER RESOLVED, That the County contribution for Other Post

Employment Benefits (OPEB) for the Fiscal Year ending June 30, 2015, shall be 11.73% as recommended by our actuaries based on the Actuarial Valuation Report as of July 1, 2013, and that amount shall be charged to operations as OPEB expense.

BE IT FURTHER RESOLVED, That the Wheel Tax is designated for education and up to 100% shall be provided for school operating costs and the remainder for school debt. The actual amount for school operations shall be the total revenue budgeted in the Education Fund less actual revenue collected, excluding the Wheel Tax.

BE IT FURTHER RESOLVED, That the appropriation to Regional One Health, Account No. 010-201201-8978, is intended to be applied first to the cost of treatment of inmates from the County, for which Regional One Health is not entitled to other reimbursements, with the balance to be applied towards the care and treatment of other indigent patients.

BE IT FURTHER RESOLVED, That authority is granted to allow for the establishment of several Internal Service Funds and Fiduciary Funds which the Administration has deemed appropriate and required for the proper accounting of certain expenditures.

BE IT FURTHER RESOLVED, That the Mayor and the Director of Administration and Finance are directed to modify the budgets of the Internal Services Funds, Support Services and the Roads and Bridges Fund as to revenue and expenditures each time that any department or office either increases or decreases the amount budgeted for related expenditures.

BE IT FURTHER RESOLVED, That for grant funds the Mayor and the Director of Administration and Finance are authorized to reduce the budget whenever a contract is

less than the authorized budget and, in accordance with Section 3.07(C) of the Shelby County Charter, to approve transfers from Personnel categories to Operations and Maintenance categories and vice versa with grantor approval. Grant funds can be transferred only between related funds of the same grantor.

BE IT FURTHER RESOLVED, That any grant funds remaining from the FY2014 budget for Head Start may be carried forward to FY2015 for transitional costs, up to a maximum amount of \$250,000.00, and that said funds are hereby appropriated.

BE IT FURTHER RESOLVED, That the Mayor and the Director of Administration and Finance are authorized to transfer funds between all offices, Elected Officials, and divisions within the Personnel and Operations and Maintenance categories in order to allocate the Personnel Restrictions and the Operations and Maintenance Restrictions.

BE IT FURTHER RESOLVED, That the Mayor and the Director of Administration and Finance are authorized to transfer funds between all offices, Elected Officials and divisions within revenue and expenditure categories in order to allocate the General Restriction in account 9525.

BE IT FURTHER RESOLVED, That the Administration shall maintain the salary budget for permanent positions by position and may transfer amounts to or from Central Operations wherever needed as authorized by the Hiring Review Committee or Human Resource equity reviews. Temporary positions may be added or moved as necessary with identified funding. Amounts budgeted for temporary positions may not be used to increase amounts budgeted for permanent positions if other funding options are available. Salary adjustments to a position can be made only to the extent that the adjusted salary remains within the salary range of the position grade as determined by

the Compensation Policy.

BE IT FURTHER RESOLVED, That a general salary increase of 3% effective July 1, 2014, is hereby included for eligible County employees.

BE IT FURTHER RESOLVED, That to accomplish operating efficiencies and effectiveness improvements through centralization of Information Technology and other services to the extent that a Division or Elected Official agrees to the transfer of positions or budgeted operating costs to another Division or Elected Official, those positions and/or operating costs will be transferred by mutual consent between the Divisions or Elected Officials.

BE IT FURTHER RESOLVED, That all departments of the Election Commission will be transferred from the Division of Administration and Finance to Other Elected Officials for organizational purposes.

BE IT FURTHER RESOLVED, That Elected Officials with individually assigned County vehicles may continue to use such vehicles until June 30, 2015 with the understanding that no new or replacement vehicles will be purchased individually for any Elected Official's use other than the Shelby County Mayor and Sheriff.

BE IT FURTHER RESOLVED, That no college tuition reimbursements may be authorized after July 1, 2014, unless a college tuition reimbursement plan is developed by the Mayor's Administration and approved by the County Commission. This does not apply to grant positions for which specified training is required and reimbursed by the grantor.

BE IT FURTHER RESOLVED, That the County Mayor and the Director of the Division of Administration and Finance are authorized to issue their warrant or warrants for amounts not to exceed \$1,197,461,227, pursuant to the provisions of the Shelby County

Operating Budget for Fiscal Year 2015 as set forth in Exhibit A and to take proper credit in their accounting therefor.

BE IT FURTHER RESOLVED, That this Resolution shall become effective in accordance with the Shelby County Charter, Article II, Section 2.06(B).



Mark H. Luttrell, Jr.  
County Mayor

Date: 6-9-14

ATTEST:



Evelyn Young  
Clerk of County Commission

ADOPTED: June 2, 2014

**SHELBY COUNTY GOVERNMENT  
FY 2015 ADOPTED OPERATING BUDGET  
EXHIBIT A SUMMARY (as amended 6/2/14)**

**EXPENDITURES AND TRANSFERS**

|   |                         |
|---|-------------------------|
| Operating Budget (Including Debt Service) | \$ 1,162,873,755        |
| Total Expenditures and Transfers          | <u>\$ 1,162,873,755</u> |

**APPROPRIATION**

|                                    |                         |
|------------------------------------|-------------------------|
| Total Expenditures and Transfers   | \$ 1,162,873,755        |
| Add Operating Transfers In         | \$ 24,788,274           |
| Add Planned Change in Fund Balance | \$ 8,783,878            |
| Add Other Financing Sources        | \$ 1,015,320            |
| Operating Budget Appropriation     | <u>\$ 1,197,461,227</u> |

**RECONCILIATION OF PROPOSED OPERATING BUDGET TO ADOPTED OPERATING BUDGET**

|                               |                         |
|-------------------------------|-------------------------|
| PROPOSED OPERATING BUDGET     | <u>\$ 1,161,842,458</u> |
| Net Proposed Operating Budget | \$ 1,161,842,458        |
| Adjustments to Proposed       | <u>\$ 1,031,297</u>     |
| ADOPTED OPERATING BUDGET      | <u>\$ 1,162,873,755</u> |

**SHELBY COUNTY GOVERNMENT  
FY 2015 ADOPTED OPERATING BUDGET  
EXHIBIT A SUMMARY (as amended 6/2/14)**

| ACCT DESCRIPTION                                   | FY11<br>ACTUAL         | FY12<br>ACTUAL         | FY13<br>ACTUAL         | FY14<br>AMENDED        | FY15<br>ADOPTED        |
|--|------------------------|------------------------|------------------------|------------------------|------------------------|
| 40 - Property Taxes                                | (731,508,708)          | (722,068,728)          | (722,145,558)          | (737,979,000)          | (739,849,000)          |
| 41 - Other Local Taxes                             | (93,391,145)           | (87,643,901)           | (95,327,540)           | (94,662,000)           | (95,427,000)           |
| 43 - Intergovernmental Revenues-State of Tennessee | (150,840,545)          | (135,256,101)          | (140,805,239)          | (166,090,081)          | (160,193,445)          |
| 44 - Intergovernmental Revenues-Federal & Local    | (62,678,842)           | (63,275,891)           | (63,939,101)           | (95,906,456)           | (46,666,849)           |
| 45 - Charges for Services                          | (16,880,675)           | (17,275,424)           | (16,879,418)           | (19,461,093)           | (18,727,040)           |
| 46 - Fines, Fees & Permits                         | (96,102,076)           | (96,311,867)           | (95,747,381)           | (96,666,702)           | (96,581,855)           |
| 47 - Other Revenue                                 | (5,104,168)            | (4,389,570)            | (17,019,033)           | (4,993,515)            | (4,606,617)            |
| 48 - Investment Income                             | (1,058,842)            | (1,118,590)            | (1,396,197)            | (885,649)              | (821,949)              |
| <b>TOTAL REVENUE</b>                               | <b>(1,157,565,002)</b> | <b>(1,127,340,071)</b> | <b>(1,153,259,468)</b> | <b>(1,216,644,496)</b> | <b>(1,162,873,755)</b> |
| 51 - Salaries-Regular Pay                          | 259,902,941            | 254,166,162            | 255,753,581            | 282,433,229            | 275,316,307            |
| 52 - Salaries-Other Compensation                   | 19,124,711             | 23,633,126             | 19,326,478             | 18,034,482             | 17,431,950             |
| 55 - Fringe Benefits                               | 86,822,695             | 95,654,814             | 102,080,203            | 121,428,343            | 112,068,402            |
| 56 - Salary Restriction                            | -                      | -                      | -                      | (22,108,627)           | (21,829,894)           |
| <b>TOTAL SALARIES</b>                              | <b>365,850,346</b>     | <b>373,454,102</b>     | <b>377,160,262</b>     | <b>399,787,427</b>     | <b>382,986,765</b>     |
| 60 - Supplies & Materials                          | 23,829,859             | 24,984,457             | 23,950,138             | 31,758,989             | 24,934,039             |
| 64 - Services & Other Expenses                     | 38,882,339             | 25,999,880             | 36,994,580             | 35,566,525             | 31,480,708             |
| 66 - Professional & Contracted Services            | 63,651,789             | 66,636,840             | 67,846,547             | 94,718,980             | 73,807,403             |
| 67 - Rent, Utilities & Maintenance                 | 23,212,165             | 22,449,850             | 22,222,874             | 25,401,602             | 22,896,028             |
| 68 - Interfund Services                            | 9,893,303              | 10,203,725             | 10,351,821             | 12,212,908             | 11,579,738             |
| 70 - Capital Asset Acquisitions                    | 12,988,857             | 8,961,868              | 12,527,310             | 33,990,681             | 34,452,837             |
| 79 - Depreciation Expense                          | 430,945                | (130,145)              | 294,016                | -                      | -                      |
| <b>TOTAL OPERATING &amp; MAINT</b>                 | <b>172,889,258</b>     | <b>159,106,477</b>     | <b>174,187,286</b>     | <b>233,649,685</b>     | <b>199,150,753</b>     |
| <b>80 - DEBT SERVICE EXPENDITURE</b>               | <b>183,189,677</b>     | <b>169,639,665</b>     | <b>174,319,942</b>     | <b>169,038,215</b>     | <b>160,987,763</b>     |
| <b>89 - AFFILIATED ORGANIZATIONS</b> (1)           | <b>419,383,422</b>     | <b>403,020,534</b>     | <b>408,276,434</b>     | <b>428,125,191</b>     | <b>429,021,740</b>     |
| <b>90 - GRANTS</b>                                 | <b>1,457,520</b>       | <b>1,692,000</b>       | <b>1,037,000</b>       | <b>635,000</b>         | <b>-</b>               |
| <b>95 - CONTINGENCIES &amp; RESTRICTIONS</b>       | <b>-</b>               | <b>-</b>               | <b>-</b>               | <b>(2,665,365)</b>     | <b>(5,569,365)</b>     |
| <b>94 - OTHER SOURCES &amp; USES</b>               | <b>(354,239)</b>       | <b>3,885,606</b>       | <b>(1,254,483)</b>     | <b>(815,380)</b>       | <b>(1,015,320)</b>     |
| <b>TOTAL EXPENDITURES</b>                          | <b>1,142,415,984</b>   | <b>1,110,798,385</b>   | <b>1,133,726,441</b>   | <b>1,227,754,774</b>   | <b>1,165,562,337</b>   |
| <b>99 - PLANNED USE OF FUND BALANCES</b>           | <b>-</b>               | <b>-</b>               | <b>-</b>               | <b>(16,415,277)</b>    | <b>(8,783,878)</b>     |
| <b>96 - OPERATING TRANSFERS IN</b>                 | <b>(25,050,222)</b>    | <b>(16,647,896)</b>    | <b>(29,635,286)</b>    | <b>(26,548,886)</b>    | <b>(24,788,274)</b>    |
| <b>98 - OPERATING TRANSFERS OUT</b>                | <b>32,875,879</b>      | <b>27,944,005</b>      | <b>33,778,818</b>      | <b>31,853,886</b>      | <b>30,883,569</b>      |
| <b>NET TRANSFERS</b>                               | <b>7,825,658</b>       | <b>11,296,109</b>      | <b>4,143,532</b>       | <b>5,305,000</b>       | <b>6,095,295</b>       |
| <b>TOTAL COUNTYWIDE</b>                            | <b>(7,323,360)</b>     | <b>(5,245,577)</b>     | <b>15,389,495</b>      | <b>-</b>               | <b>-</b>               |

(1) Includes Education expense



**Shelby County Government FY2015 Operating Budget  
Schedule of Changes to Proposed Budget - by Fund/Division/Department  
Exhibit A-1 Detail (as amended 6/2/14)**

| <u>DIV</u>                                    | <u>FUND</u> | <u>DEPT</u> | <u>DEPARTMENT NAME</u>                                  | <u>ACCOUNT TYPE</u> | <u>REVENUE</u>   | <u>EXPENSE</u>  | <u>FTE</u> |
|---|-------------|-------------|---|---------------------|------------------|-----------------|------------|
| <b><u>GENERAL FUND:</u></b>                   |             |             |   |                     |                  |                 |            |
| 20  | 010         | 2003        | CAO - MATA transportation to Shelby Farms Park          | Operating & Maint.  |                  | 70,000          |            |
|   |             | 2012        | Central Ops - funding for MATA payment                  | Use of Fund Balance |                  | (70,000)        |            |
| <b>DIVISION SUBTOTAL</b>                      |             |             |   |                     | <u>-</u>         | <u>-</u>        | <u>-</u>   |
| <b>25 INFORMATION TECHNOLOGY SERVICES</b>     |             |             |   |                     |                  |                 |            |
|   | 010         | 2502        | Customer Support - account reclassification             | Salary & Benefits   |                  | (112,822)       |            |
|   |             |             | for reimbursement (offset in Fund 962)                  | Operating & Maint.  |                  | 112,822         |            |
| <b>DIVISION SUBTOTAL</b>                      |             |             |   |                     | <u>-</u>         | <u>-</u>        | <u>-</u>   |
| <b>31 SHERIFF</b>                             |             |             |   |                     |                  |                 |            |
|   | 031         | 6206        | Courts - security staffing for Environmental Court      | Salary & Benefits   | -                | 150,122         | 2          |
| <b>DIVISION SUBTOTAL</b>                      |             |             |   |                     | <u>-</u>         | <u>150,122</u>  | <u>2</u>   |
| <b>70 JUDICIAL</b>                            |             |             |   |                     |                  |                 |            |
| <b><u>General Sessions Court:</u></b>         |             |             |   |                     |                  |                 |            |
|   | 035         | 7041        | Fees generated from Environmental Court expansion       | Revenue             | (404,264)        |                 |            |
|   | 035         | 7041        | Environmental Court - Secretary and Attny upgrade       | Salary & Benefits   |                  | 87,260          | 1          |
|   | 035         | 7041        | GS Criminal Clerk - staffing for Environmental Court    | Salary & Benefits   |                  | 166,882         | 4          |
|   | 035         | 7041        | GS Civil Clerk - convert temps to permanent positions   | Salary & Benefits   |                  | -               | 5          |
| <b>General Sessions Subtotal</b>              |             |             |   |                     | <u>(404,264)</u> | <u>254,142</u>  | <u>10</u>  |
| <b><u>Juvenile Court:</u></b>                 |             |             |   |                     |                  |                 |            |
|   | 37          | 7061        | Detention - add Holiday Pay with lapse offset           |                     | -                | -               | -          |
| <b>TOTAL GENERAL FUND CHANGES</b>             |             |             |   |                     | <u>(404,264)</u> | <u>404,264</u>  | <u>12</u>  |
| <b><u>INTERNAL SERVICE FUNDS:</u></b>         |             |             |   |                     |                  |                 |            |
|   | 25          | 962         | 2515 IT Internal Services - account reclassification    | Salary & Benefits   |                  | 112,822         | -          |
|   |             |             | for reimbursement (offset in General Fund)              | Operating & Maint.  |                  | (112,822)       |            |
|   | 25          | 962         | 2515 IT Internal Services                               | Revenues            | 10,738           |                 |            |
|   |             |             | adjustment related to Grant changes                     | Operating & Maint.  |                  | (10,738)        |            |
|   | 30          | 961         | 3073 Mail & Print Services                              | Revenues            | (5,150)          |                 |            |
|   |             |             | adjustment related to Grant changes                     | Operating & Maint.  |                  | 5,150           |            |
| <b>TOTAL INTERNAL SERVICE FUND CHANGES</b>    |             |             |   |                     | <u>5,588</u>     | <u>(5,588)</u>  | <u>-</u>   |
| <b><u>SPECIAL REVENUE FUNDS:</u></b>          |             |             |   |                     |                  |                 |            |
|   | 62          | 087         | 6204 Sheriff DUI BLOOD TESTS - New fund                 | Revenues            | (50,000)         |                 |            |
|   |             |             |   | Operating & Maint.  |                  | 50,000          |            |
| <b>TOTAL SPECIAL REVENUE FUNDS CHANGES</b>    |             |             |   |                     | <u>(50,000)</u>  | <u>50,000</u>   | <u>-</u>   |
| <b><u>ENTERPRISE FUNDS - Corrections:</u></b> |             |             |   |                     |                  |                 |            |
|   | 35          | 956         | 3501 Reduce to match Sheriff budget for laundry service | Revenues            | 40,000           |                 |            |
|   |             |             | Reduce associated laundry expenditures                  | Operating & Maint.  |                  | (40,000)        |            |
| <b>TOTAL ENTERPRISE FUND CHANGES</b>          |             |             |   |                     | <u>40,000</u>    | <u>(40,000)</u> | <u>-</u>   |

**Shelby County Government FY2015 Operating Budget  
Schedule of Changes to Proposed Budget - by Fund/Division/Department  
Exhibit A-1 Detail (as amended 6/2/14)**

| <u>DIV</u>                        | <u>FUND</u> | <u>DEPT</u> | <u>DEPARTMENT NAME</u>                           | <u>ACCOUNT TYPE</u> | <u>REVENUE</u>     | <u>EXPENSE</u>   | <u>FTE</u> |
|-----------------------------------|-------------|-------------|--|---------------------|--------------------|------------------|------------|
| <b><u>GRANT FUNDS:</u></b>        |             |             |  |                     |                    |                  |            |
| 40                                | 438         | 4005        | Health Services - Tuberculosis Outreach          | Revenues            | (246,900)          |                  |            |
|                                   |             |             |  | Salary & Benefits   |                    | 66,715           | -          |
|                                   |             |             |  | Operating & Maint.  |                    | 180,185          |            |
| 40                                | 125         | 4005        | Health Services - Maternity TPE Enrollment       | Revenues            | (44,500)           |                  |            |
|                                   |             |             |  | Salary & Benefits   |                    | 41,665           | 1          |
|                                   |             |             |  | Operating & Maint.  |                    | 2,835            |            |
| 20                                | 241         | 2003        | Office of Preparedness - 2011 Floods - FEMA/TEMA | Revenues            | 11,779             |                  |            |
|                                   |             |             |  | Operating & Maint.  |                    | (11,779)         |            |
| 30                                | 660         | 3010        | Public Works - Roadside Grant                    | Revenues            | (500)              |                  |            |
|                                   |             |             |  | Operating & Maint.  |                    | 500              |            |
| 30                                | 804         | 3010        | Public Works - Raleigh LaGrange Road resurfacing | Revenues            | (187,500)          |                  |            |
|                                   |             |             |  | Operating & Maint.  |                    | 187,500          |            |
| 30                                | 808         | 3010        | Public Works - Macon Rd to Pisgah Rd resurfacing | Revenues            | (225,000)          |                  |            |
|                                   |             |             |  | Operating & Maint.  |                    | 225,000          |            |
| 62                                | 208         | 6205        | Sheriff - FY14 Alcohol Countermeasures           | Revenues            | 70,000             |                  |            |
|                                   |             |             |  | Operating & Maint.  |                    | (70,000)         |            |
| <b>TOTAL GRANT FUND CHANGES</b>   |             |             |  |                     | <u>(622,621)</u>   | <u>622,621</u>   | <u>1</u>   |
| <b>TOTAL CHANGES TO ALL FUNDS</b> |             |             |  |                     | <u>(1,031,297)</u> | <u>1,031,297</u> | <u>13</u>  |