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# CITY OF FAIRVIEW

## BOARD OF COMMISSIONERS SPECIAL CALLED MEETING

DECEMBER 19, 2016

IMMEDIATELY FOLLOWING THE PUBLIC HEARING AT 7:00 P.M.

### AGENDA

1. **Call to order by Mayor Carroll**
  - A. Prayer and Pledge
2. **Approval of the Agenda**
3. **Citizen Comments (Limited to the first 5 citizens to sign in and a limit of 3 minutes each).**
4. **Awards and/or Recognitions**
5. **Public Announcements**
6. **Staff Comments**
7. **Approval of the Minutes (only needed if removed from consent agenda)**
8. **Consent Agenda Consisting of Items as Follows**
  - A. Approval of the Minutes from the December 1, 2016 Board of Commissioners Meeting
  - B. Approval of the Minutes from the December 1, 2016 Board of Commissioners Workshop
  - C. Second and Final Reading of Bill #2016-32, Ordinance No. 946, Municipal Floodplain Zoning Ordinance, An Ordinance Adopted for the Purpose of Amending the City of Fairview, Tennessee, Municipal Zoning Ordinance (Ordinance 444) Regulating Development Within the Corporate Limits of Fairview, Tennessee, to Minimize Danger to Life and Property Due to Flooding, and to Maintain Eligibility for Participation in the National Flood Insurance Program and to Repeal in its Entirety Bill Number 2004-18, Ordinance No. 579
9. **Old Business**
  - A. Discuss and/or Take Action on History Village Funding Request
  - B. Discuss and/or Take Action on Bill #2016-29, Ordinance No. 943, An Ordinance for an Amendment to the City of Fairview, Tennessee, Budget for Fiscal Year 2016-2017 Budget (History Village)
10. **New Business**
  - A. Discuss and/or Take Action on Resolution No. 14-16, A Resolution to Set a Public Hearing for the Purpose of Obtaining Public Comment on the Annexation of Certain Property Located at 7338 Overbey Road, Herein Described Below and to Incorporate Same Within the Corporate Boundaries of The City of Fairview, Tennessee; The Property to be Annexed is Located in Williamson County, City of Fairview, Tennessee Geological Listing of Assessment Roll Map 46, Parcel 44.06, Containing 2.17 Acres Belonging to Erick Allen Maggart and Wife Kelly Lenore Lampley Maggart
  - B. Discuss and/or Take Action on Appointment to Tree Commission
  - C. Discuss and/or Take Action on Bill #2016-24, Ordinance No. 948, A Replacement for Bill #2015-36, Ordinance No. 901, An Ordinance to Change the Zoning of Certain Property in the City of Fairview, Tennessee, Located on Horn Tavern Road, Owned by Raymond Pruitt and Wife, Brownie Lee Pruitt, as Shown on, Williamson County, Tax Map 022, Parcel 15.00, from RS-40 (Residential), to RS-15 PUD (Residential Planned Unit Development)

- D. Discuss and/or Take Action on Resolution No.17-16, A Resolution to Set a Public Hearing for the Purpose of Obtaining Public Comment on Changing the Zoning of Certain Property in the City of Fairview, Tennessee, Located on Horn Tavern Road, Owned by Raymond Pruitt and Wife Brownie Lee Pruitt, as Shown on, Williamson County, Tax Map 022, Parcel 15.00 From RS-40 (Residential) to RS-15 PUD (Residential Planned Unit Development)
- E. Discuss and/or Take Action on Acceptance of Fiscal Year 2016 Year End Audit
- F. Discuss and/or Take Action on Termination of Interlocal Agreement with Williamson County for Adequate School Facilities Tax
- G. Discuss and/or Take Action on Material Contract for Pyro Shows
- H. Discuss and/or Take Action on Bill #2016-35, Ordinance No. 949, An Ordinance to Amend Title 7, Chapter 2 and Title 12 of the City of Fairview's Municipal Code by Repealing Ordinance 784, Adopted May 3, 2012 and Replacing it in its Entirety by the Above Styled Ordinance
- I. Discuss and/or Take Action on Filling Board Seats for BOC Members
  - a. Industrial Development Board
  - b. Tree Commission

**11. City Manager Items for Discussion**

- A. Miscellaneous Updates
- B. City Attorney Comments

**12. Communications from the Mayor and Commissioners**

**13. Adjournment to Executive Session to discuss pending and potential litigation**

8C

BILL # 2016-32

ORDINANCE NO. 946

**MUNICIPAL FLOODPLAIN ZONING ORDINANCE**

**AN ORDINANCE ADOPTED FOR THE PURPOSE OF AMENDING THE CITY OF FAIRVIEW, TENNESSEE MUNICIPAL ZONING ORDINANCE (ORDINANCE 444) REGULATING DEVELOPMENT WITHIN THE CORPORATE LIMITS OF FAIRVIEW, TENNESSEE, TO MINIMIZE DANGER TO LIFE AND PROPERTY DUE TO FLOODING, AND TO MAINTAIN ELIGIBILITY FOR PARTICIPATION IN THE NATIONAL FLOOD INSURANCE PROGRAM AND TO REPEAL IN ITS ENTIRETY BILL NUMBER 2004-18, ORDINANCE NO. 579.**

**8-301 ARTICLE I. STATUTORY AUTHORIZATION, FINDINGS OF FACT, PURPOSE AND OBJECTIVES**

**8-301.1 Section A. Statutory Authorization**

The Legislature of the State of Tennessee has in **Sections 13-7-201 through 13-7-210, Tennessee Code Annotated** delegated the responsibility to local governmental units to adopt regulations designed to promote the public health, safety, and general welfare of its citizenry. Therefore, be it Ordained by the Board of Commissioners of the City of Fairview, Tennessee, as follows:

1. Zoning Ordinance 444 is hereby amended by repealing Bill No. 2004-18, Ordinance Number 579 in its entirety and substituting this Ordinance Bill No. 2016-32, Ordinance Number 946, therefore in its entirety as follows:

**8-301.2 Section B. Findings of Fact**

1. The City of Fairview, Tennessee, Board of Commissioners wishes to maintain eligibility in the National Flood Insurance Program (NFIP) and in order to do so must meet the NFIP regulations found in **Title 44 of the Code of Federal Regulations (CFR), Ch. 1, Section 60.3.**
2. Areas of the City of Fairview, Tennessee are subject to periodic

inundation which could result in loss of life and property, health and safety hazards, disruption of commerce and governmental services, extraordinary public expenditures for flood protection and relief, and impairment of the tax base, all of which adversely affects the public health, safety and general welfare.

3. Flood losses are caused by the cumulative effect of obstructions in floodplains, causing increases in flood heights and velocities; by uses in flood hazard areas which are vulnerable to floods; or construction which is inadequately elevated, flood proofed, or otherwise unprotected from flood damages.

### **8-301.3 Section C. Statement of Purpose**

It is the purpose of this Ordinance to promote the public health, safety and general welfare and to minimize public and private losses due to flood conditions in specific areas. This Ordinance is designed to:

1. Restrict or prohibit uses which are vulnerable to flooding or erosion hazards, or which result in damaging increases in erosion, flood heights, or velocities;
2. Require that uses vulnerable to floods, including community facilities, be protected against flood damage at the time of initial construction;
3. Control the alteration of natural floodplains, stream channels, and natural protective barriers which are involved in the accommodation of floodwaters;
4. Control filling, grading, dredging and other development which may increase flood damage or erosion;
5. Prevent or regulate the construction of flood barriers which will unnaturally divert flood waters or which may increase flood hazards to other lands.

### **8-301.4 Section D. Objectives**

The objectives of this Ordinance are:

1. To protect human life, health, safety and property;

2. To minimize expenditure of public funds for costly flood control projects;
3. To minimize the need for rescue and relief efforts associated with flooding and generally undertaken at the expense of the general public;
4. To minimize prolonged business interruptions;
5. To minimize damage to public facilities and utilities such as water and gas mains, electric, telephone and sewer lines, streets and bridges located in flood prone areas;
6. To help maintain a stable tax base by providing for the sound use and development of flood prone areas to minimize blight in flood areas;
7. To ensure that potential homebuyers are notified that property is in a flood prone area;
8. To maintain eligibility for participation in the NFIP.

#### **8-302 ARTICLE II. DEFINITIONS**

Unless specifically defined below, words or phrases used in this Ordinance shall be interpreted as to give them the meaning they have in common usage and to give this Ordinance its most reasonable application given its stated purpose and objectives.

"Accessory Structure" means a subordinate structure to the principal structure on the same lot and, for the purpose of this Ordinance, shall conform to the following:

1. Accessory structures shall only be used for parking of vehicles and storage.
2. Accessory structures shall be designed to have low flood damage potential.
3. Accessory structures shall be constructed and placed on the building site so as to offer the minimum resistance to

the flow of floodwaters.

4. Accessory structures shall be firmly anchored to prevent flotation, collapse, and lateral movement, which otherwise may result in damage to other structures.
5. Utilities and service facilities such as electrical and heating equipment shall be elevated or otherwise protected from intrusion of floodwaters.

**"Addition (to an existing building)"** means any walled and roofed expansion to the perimeter or height of a building,

**"Appeal"** means a request for a review of the local enforcement officer's interpretation of any provision of this Ordinance or a request for a variance.

**"Area of Shallow Flooding"** means a designated AO or AH Zone on a community's Flood Insurance Rate Map (FIRM) with one percent or greater annual chance of flooding to an average depth of one to three feet where a clearly defined channel does not exist, where the path of flooding is unpredictable and indeterminate; and where velocity flow may be evident. Such flooding is characterized by ponding or sheet flow.

**"Area of Special Flood-related Erosion Hazard"** is the land within a community which is most likely to be subject to severe flood-related erosion losses. The area may be designated as Zone E on the Flood Hazard Boundary Map (FHBM). After the detailed evaluation of the special flood-related erosion hazard area in preparation for publication of the FIRM, Zone E may be further refined.

**"Area of Special Flood Hazard"** see **"Special Flood Hazard Area"**.

**"Base Flood"** means the flood having a one percent chance of being equaled or exceeded in any given year. This term is also referred to as the 100-year flood or the one (1)-percent annual chance flood.

**"Basement"** means any portion of a building having its floor subgrade (below ground level) on all sides.

**"Building"** see **"Structure"**.

**"Development"** means any man-made change to improved or unimproved real estate, including, but not limited to, buildings or other structures, mining, dredging, filling, grading, paving, excavating, drilling operations, or storage of equipment or materials

**"Elevated Building"** means a non-basement building built to have the lowest floor of the lowest enclosed area elevated above the ground level by means of solid foundation perimeter walls with openings sufficient to facilitate the unimpeded movement of floodwater, pilings, columns, piers, or shear walls adequately anchored so as not to impair the structural integrity of the building during a base flood event.

**"Emergency Flood Insurance Program" or "Emergency Program"** means the program as implemented on an emergency basis in accordance with Section 1336 of the Act. It is intended as a program to provide a first layer amount of insurance on all insurable structures before the effective date of the initial FIRM.

**"Erosion"** means the process of the gradual wearing away of land masses. This peril is not "per se" covered under the Program.

**"Exception"** means a waiver from the provisions of this Ordinance which relieves the applicant from the requirements of a rule, regulation, order or other determination made or issued pursuant to this Ordinance.

**"Existing Construction"** means any structure for which the "start of construction" commenced before the effective date of the initial floodplain management code or ordinance adopted by the community as a basis for that community's participation in the NFIP.

**"Existing Manufactured Home Park or Subdivision"** means a manufactured home park or subdivision for which the construction of facilities for servicing the lots on which the manufactured homes are to be affixed (including, at a minimum, the installation of utilities, the construction of streets, final site grading or the pouring of concrete pads) is completed before the effective date of the first floodplain management code or ordinance adopted by the community as a basis for that community's participation in the NFIP.

**"Existing Structures"** see **"Existing Construction"**.

**"Expansion to an Existing Manufactured Home Park or Subdivision"**

means the preparation of additional sites by the construction of facilities for servicing the lots on which the manufactured homes are to be affixed (including the installation of utilities, the construction of streets, and either final site grading or the pouring of concrete pads).

**"Flood" or "Flooding"** means a general and temporary condition of partial or complete inundation of normally dry land areas from:

1. The overflow of inland or tidal waters.
2. The unusual and rapid accumulation or runoff of surface waters from any source.

**"Flood Elevation Determination"** means a determination by the Federal Emergency Management Agency (FEMA) of the water surface elevations of the base flood, that is, the flood level that has a one percent or greater chance of occurrence in any given year.

**"Flood Elevation Study"** means an examination, evaluation and determination flood hazards and, if appropriate, corresponding water surface elevations, or an examination, evaluation and determination of mudslide (i.e., mudflow) or flood-related erosion hazards.

**"Flood Hazard Boundary Map (FHBM)"** means an official map of a community, issued by FEMA, where the boundaries of areas of special flood hazard have been designated as Zone A.

**"Flood Insurance Rate Map (FIRM)"** means an official map of a community, issued by FEMA, delineating the areas of special flood hazard or the risk premium zones applicable to the community,

**"Flood Insurance Study"** is the official report provided by FEMA, evaluating flood hazards and containing flood profiles and water surface elevation of the base flood.

**"Floodplain" or "Floodprone Area"** means any land area susceptible to being inundated by water from any source (see definition of "flooding").

**"Floodplain Management"** means the operation of an overall program of corrective and preventive measures for reducing flood damage, including but not limited to emergency preparedness plans) flood control works and



floodplain management regulations.

**"Flood Protection System"** means those physical structural works for which funds have been authorized, appropriated, and expended and which have been constructed specifically to modify flooding in order to reduce the extent of the area within a community subject to a "special flood hazard" and the extent of the depths of associated flooding. Such a system typically includes hurricane tidal barriers, dams, reservoirs, levees or dikes. These specialized flood modifying works are those constructed in conformance with sound engineering standards,

**"Flood proofing"** means any combination of structural and nonstructural additions, changes, or adjustments to structures which reduce or eliminate flood damage to real estate or improved real property, water and sanitary facilities and structures and their contents.

**"Flood-related Erosion"** means the collapse or subsidence of land along the shore of a lake or other body of water as a result of undermining caused by waves or currents of water exceeding anticipated cyclical levels or suddenly caused by an unusually high water level in a natural body of water, accompanied by a severe storm, or by an unanticipated force of nature, such as a flash flood, or by some similarly unusual and unforeseeable event which results in flooding,

**"Flood-related Erosion Area" or "Flood-related Erosion Prone Area"** means a land area adjoining the shore of a lake or other body of water, which due to the composition of the shoreline or bank and high water levels or wind-driven currents, is likely to suffer flood-related erosion damage.

**"Flood-related Erosion Area Management"** means the operation of an overall program of corrective and preventive measures for reducing flood-related erosion damage, including but not limited to emergency preparedness plans, flood-related erosion control works and floodplain management regulations.

**"Floodway"** means the channel of a river or other watercourse and the adjacent land areas that must be reserved in order to discharge the base flood without cumulatively increasing the water surface elevation more than a designated height.

**"Freeboard"** means a factor of safety usually expressed in feet above a flood level for purposes of floodplain management. "Freeboard" tends to

compensate for the many unknown factors that could contribute to flood heights greater than the height calculated for a selected size flood and floodway conditions, such as wave action, blockage of bridge or culvert openings, and the hydrological effect of urbanization of the watershed.

**"Functionally Dependent Use"** means a use which cannot perform its intended purpose unless it is located or carried out in close proximity to water. The term includes only docking facilities, port facilities that are necessary for the loading and unloading of cargo or passengers, and ship building and ship repair facilities, but does not include long-term storage or related manufacturing facilities.

**"Highest Adjacent Grade"** means the highest natural elevation of the ground surface, prior to construction, adjacent to the proposed walls of a structure.

**"Historic Structure"** means any structure that is:

1. Listed individually in the National Register of Historic Places (a listing maintained by the U.S. Department of Interior) or preliminarily determined by the Secretary of the Interior as meeting the requirements for individual listing on the National Register;
2. Certified or preliminarily determined by the Secretary of the Interior as contributing to the historical significance of a registered historic district or a district preliminarily determined by the Secretary to qualify as a registered historic district;
3. Individually listed on the Tennessee inventory of historic places and determined as eligible by states with historic preservation programs which have been approved by the Secretary of the Interior; or
4. Individually listed on the City of Fairview, Tennessee inventory of historic places and determined as eligible by communities with historic preservation programs that have been certified either:
  - a. By the approved Tennessee program as determined by the Secretary of the Interior or
  - b. Directly by the Secretary of the Interior.

**"Levee"** means a man-made structure, usually an earthen embankment, designed and constructed in accordance with sound engineering practices to contain, control or divert the flow of water so as to provide protection from temporary flooding.

**"Levee System"** means a flood protection system which consists of a levee, or levees, and associated structures, such as closure and drainage devices, which are constructed and operated in accordance with sound engineering practices.

**"Lowest Floor"** means the lowest floor of the lowest enclosed area, including a basement. An unfinished or flood resistant enclosure used solely for parking of vehicles, building access or storage in an area other than a basement area is not considered a building's lowest floor; provided, that such enclosure is not built so as to render the structure in violation of the applicable non-elevation design requirements of this Ordinance.

**"Manufactured Home"** means a structure, transportable in one or more sections, which is built on a permanent chassis and designed for use with or without a permanent foundation when attached to the required utilities. The term "Manufactured Home" does not include a "Recreational Vehicle".

**"Manufactured Home Park or Subdivision"** means a parcel (or contiguous parcels) of land divided into two or more manufactured home lots for rent or sale.

**"Map"** means the Flood Hazard Boundary Map (FHBM) or the Flood Insurance Rate Map (FIRM) for a community issued by FEMA.

**"Mean Sea Level"** means the average height of the sea for all stages of the tide. It is used as a reference for establishing various elevations within the floodplain. For the purposes of this Ordinance, the term is synonymous with the National Geodetic Vertical Datum (NGVD) of 1929, the North American Vertical Datum (NAVD) of 1988, or other datum, to which Base Flood Elevations shown on a community's Flood Insurance Rate Map are referenced.

**"National Geodetic Vertical Datum (NGVD)"** means, as corrected in 1929, a vertical control used as a reference for establishing varying elevations within the floodplain.

**"New Construction"** means any structure for which the "start of construction" commenced on or after the effective date of the initial floodplain management Ordinance and includes any subsequent improvements to such structure.

**"New Manufactured Home Park or Subdivision"** means a manufactured home park or subdivision for which the construction of facilities for servicing the lots on which the manufactured homes are to be affixed (including at a minimum, the installation of utilities, the construction of streets, and either final site grading or the pouring of concrete pads) is completed on or after the effective date of this ordinance or the effective date of the initial floodplain management ordinance and includes any subsequent improvements to such structure.

**"North American Vertical Datum (NAVD)"** means, as corrected in 1988, a vertical control used as a reference for establishing varying elevations within the floodplain.

**"100-year Flood"** see **"Base Flood"**.

**"Person"** includes any individual or group of individuals, corporation, partnership, association, or any other entity, including State and local governments and agencies.

**"Reasonably Safe from Flooding"** means base flood waters will not inundate the land or damage structures to be removed from the Special Flood Hazard Area and that any subsurface waters related to the baseflood will not damage existing or proposed structures.

**"Recreational Vehicle"** means a vehicle which is:

1. Built on a single chassis;
2. 400 square feet or less when measured at the largest horizontal projection;
3. Designed to be self-propelled or permanently towable by a light duty truck;
4. Designed primarily not for use as a permanent dwelling but as temporary living quarters for recreational, camping, travel, or seasonal use,

**"Regulatory Floodway"** means the channel of a river or other watercourse and the adjacent land areas that must be reserved in order to discharge the base flood without cumulatively increasing the water surface elevation more than a designated height.

**"Riverine"** means relating to, formed by, or resembling a river (including tributaries), stream, brook, etc.

**"Special Flood Hazard Area"** is the land in the floodplain within a community subject to a one percent or greater chance of flooding in any given year. The area may be designated as Zone A on the FHBM. After detailed ratemaking has been completed in preparation for publication of the FIRM, Zone A usually is refined into Zones A, AO, AH, AI-30, AE or A99.

**"Special Hazard Area"** means an area having special flood, mudslide (i.e., mudflow) and/or flood-related erosion hazards, and shown on an FHBM or FIRM as Zone A, AO, AI-30, AE, A99, or AH.

**"Start of Construction"** includes substantial improvement, and means the date the building permit was issued, provided the actual start of construction, repair, reconstruction, rehabilitation, addition, placement, or other improvement was within 180 days of the permit date. The actual start means either the first placement of permanent construction of a structure (including a manufactured home) on a site, such as the pouring of slabs or footings, the installation of piles, the construction of columns, or any work beyond the stage of excavation; and includes the placement of a manufactured home on a foundation. Permanent construction does not include initial land preparation, such as clearing, grading and filling; nor does it include the installation of streets and/or walkways; nor does it include excavation for a basement, footings, piers, or foundations or the erection of temporary forms; nor does it include the installation on the property of accessory buildings, such as garages or sheds, not occupied as dwelling units or not part of the main structure. For a substantial improvement, the actual start of construction means the first alteration of any wall, ceiling, floor, or other structural part of a building, whether or not that alteration affects the external dimensions of the building,

**"State Coordinating Agency"** the Tennessee Department of Environment and Conservation, as designated by the Governor of the State of Tennessee at the request of FEMA to assist in the implementation of the NFIP for the State,

**"Structure"** for purposes of this Ordinance, means a walled and roofed building, including a gas or liquid storage tank that is principally above ground, as well as a manufactured home.

**"Substantial Damage"** means damage of any origin sustained by a structure whereby the cost of restoring the structure to its before damaged condition would equal or exceed fifty percent (50%) of the market value of the structure before the damage occurred

**"Substantial Improvement"** means any reconstruction, rehabilitation, addition, alteration or other improvement of a structure in which the cost equals or exceeds fifty percent (50%) of the market value of the structure before the "start of construction" of the initial improvement. This term includes structures which have incurred "substantial damage", regardless of the actual repair work performed. The market value of the structure should be (1) the appraised value of the structure prior to the start of the initial improvement, or (2) in the case of substantial damage, the value of the structure prior to the damage occurring.

The term does not, however, include either: (1) Any project for improvement of a structure to correct existing violations of State or local health, sanitary, or safety code specifications which have been pre-identified by the local code enforcement official and which are the minimum necessary to assure safe living conditions and not solely triggered by an improvement or repair project or; (2) Any alteration of a "historic structure", provided that the alteration will not preclude the structure's continued designation as a "historic structure."

**"Substantially Improved Existing Manufactured Home Parks or Subdivisions"** is where the repair, reconstruction, rehabilitation or improvement of the streets, utilities and pads equals or exceeds fifty percent (50%) of the value of the streets, utilities and pads before the repair, reconstruction or improvement commenced.

**"Variance"** is a grant of relief from the requirements of this Ordinance.

**"Violation"** means the failure of a structure or other development to be fully compliant with the community's floodplain management regulations. A structure or other development without the elevation certificate, other certification, or other evidence of compliance required in this Ordinance is presumed to be in violation until such time as that documentation is provided.

**"Water Surface Elevation"** means the height, in relation to the National Geodetic Vertical Datum (NGVD) of 1929, the North American Vertical Datum (NAVD) of 1988, or other datum, where specified. of floods of various magnitudes and frequencies in the floodplains of riverine areas.

**8-303 ARTICLE III.           GENERAL PROVISIONS**

**8-303.1 Section A.           Application**

This Ordinance shall apply to all areas within the incorporated area of the **City of Fairview**, Tennessee.

**8-303.2 Section B.   Basis for Establishing the Areas of Special Flood Hazard**

The Areas of Special Flood Hazard identified on the City of Fairview, Tennessee, as identified by FEMA, and in its Flood Insurance Study (FIS) dated December 22, 2016 and Flood Insurance Rate Map (FIRM), Community 470242, Panel Numbers 47187C0015F, 47187C0020F, 47187C0038F, 47187C0039F, 47187C0045F, 47187C0135F, 47187C0151F, 47187C0152F, 47187C0153F, and 47187C0160F dated September 29, 2006 and 47187C0156G dated December 22, 2016, along with all supporting technical data, are adopted by reference and declared to be a part of this Ordinance.

**8-303.3 Section C.   Requirement for Development Permit**

A development permit shall be required in conformity with this Ordinance prior to the commencement of any development activities.

**8-303.4 Section D.   Compliance**

No land, structure or use shall hereafter be located, extended, converted or structurally altered without full compliance with the terms of this Ordinance and other applicable regulations.

**8-303.5 Section E.   Abrogation and Greater Restrictions**

This Ordinance is not intended to repeal, abrogate, or impair any existing easements, covenants or deed restrictions. However, where this Ordinance conflicts or overlaps with another regulatory instrument, whichever imposes the more stringent restrictions shall prevail.

#### **8-303.6 Section F. Interpretation**

In the interpretation and application of this Ordinance, all provisions shall be: (1) considered as minimum requirements; (2) liberally construed in favor of the governing body and; (3) deemed neither to limit nor repeal any other powers granted under Tennessee statutes

#### **8-303.7 Section G. Warning and Disclaimer of Liability**

The degree of flood protection required by this Ordinance is considered reasonable for regulatory purposes and is based on scientific and engineering considerations. Larger floods can and will occur on rare occasions. Flood heights may be increased by man-made or natural causes. This Ordinance does not imply that land outside the Areas of Special Flood Hazard or uses permitted within such areas will be free from flooding or flood damages. This Ordinance shall not create liability on the part of the City of Fairview, Tennessee or by any officer or employee thereof for any flood damages that result from reliance on this Ordinance or any administrative decision lawfully made hereunder.

#### **8-303.8 Section H. Penalties for Violation**

Violation of the provisions of this Ordinance or failure to comply with any of its requirements, including violation of conditions and safeguards established in connection with grants of variance shall constitute a misdemeanor punishable as other misdemeanors as provided by law. Any person who violates this ordinance or fails to comply with any of its requirements shall, upon adjudication therefore, be fined as prescribed by Tennessee statutes, and in addition, shall pay all costs and expenses involved in the case. Each day such violation continues shall be considered a separate offense. Nothing herein contained shall prevent the City of Fairview, Tennessee from taking such other lawful actions to prevent or remedy any violation.

#### **8-304 ARTICLE IV. ADMINISTRATION**



**8-304.1 Section A. Designation of Ordinance Administrator**

The Planning/Codes Director is hereby appointed as the Administrator to implement the provisions of this Ordinance.

**8-304.2 Section B. Permit Procedures**

Application for a development permit shall be made to the Administrator on forms furnished by the community prior to any development activities. The development permit may include, but is not limited to the following: plans in duplicate drawn to scale and showing the nature, location, dimensions, and elevations of the area in question; existing or proposed structures, earthen fill placement, storage of materials or equipment, and drainage facilities. Specifically, the following information is required:

1. Application Stage

- a. Elevation in relation to mean sea level of the proposed lowest floor, including basement, of all buildings where Base Flood Elevations are available, or to certain height above the highest adjacent grade when applicable under this Ordinance.
- b. Elevation in relation to mean sea level to which any non-residential building will be flood proofed where Base Flood Elevations are available, or to certain height above the highest adjacent grade when applicable under this Ordinance.
- c. A FEMA Flood proofing Certificate from a Tennessee registered professional engineer or architect that the proposed non-residential flood proofed building will meet the flood proofing criteria in Article V, Sections A and B.
- d. Description of the extent to which any watercourse will be altered or relocated as a result of proposed development.

2. Construction Stage

Within AE Zones, where Base Flood Elevation data is available, any lowest floor certification made relative to mean sea level shall be prepared by or under the direct supervision of, a Tennessee registered land surveyor and certified by same. The Administrator shall record the elevation of the lowest

floor on the development permit. When flood proofing is utilized for a non-residential building, said certification shall be prepared by, or under the direct supervision of, a Tennessee registered professional engineer or architect and certified by same.

Within approximate A Zones, where Base Flood Elevation data is not available, the elevation of the lowest floor shall be determined as the measurement of the lowest floor of the building relative to the highest adjacent grade. The Administrator shall record the elevation of the lowest floor on the development permit. When flood proofing is utilized for a non-residential building, said certification shall be prepared by, or under the direct supervision of, a Tennessee registered professional engineer or architect and certified by same.

For all new construction and substantial improvements, the permit holder shall provide to the Administrator an as-built certification of the lowest floor elevation or flood proofing level upon the completion of the lowest floor or flood proofing.

Any work undertaken prior to submission of the certification shall be at the permit holder's risk. The Administrator shall review the above-referenced certification data. Deficiencies detected by such review shall be corrected by the permit holder immediately and prior to further work being allowed to proceed. Failure to submit the certification or failure to make said corrections required hereby shall be cause to issue a stop-work order for the project.

### **8-304.3 Section C. Duties and Responsibilities of the Administrator**

Duties of the Administrator shall include, but not be limited to, the following:

1. Review all development permits to assure that the permit requirements of this Ordinance have been satisfied, and that proposed building sites will be reasonably safe from flooding.
2. Review proposed development to assure that all necessary permits have been received from those governmental agencies from which approval is required by Federal or State law, including Section 404 of the Federal Water Pollution Control Act Amendments of 1972, 33 U.S.C. 1334.

3. Notify adjacent communities and the Tennessee Department of Economic and Community Development, Local Planning Assistance Office, prior to any alteration or relocation of a watercourse and submit evidence of such notification to FEMA
4. For any altered or relocated watercourse, submit engineering data/analysis within six (6) months to FEMA to ensure accuracy of community FIRM's through the Letter of Map Revision process.
5. Assure that the flood carrying capacity within an altered or relocated portion of any watercourse is maintained.
6. Record the elevation, in relation to mean sea level or the highest adjacent grade, where applicable, of the lowest floor (including basement) of all new and substantially improved buildings, in accordance with Article IV, Section B.
7. Record the actual elevation, in relation to mean sea level or the highest adjacent grade, where applicable to which the new and substantially improved buildings have been flood proofed, in accordance with Article IV, Section B.
8. When flood proofing is utilized for a nonresidential structure, obtain certification of design criteria from a Tennessee registered professional engineer or architect, in accordance with Article IV, Section B.
9. Where interpretation is needed as to the exact location of boundaries of the Areas of Special Flood Hazard (for example, where there appears to be a conflict between a mapped boundary and actual field conditions), make the necessary interpretation. Any person contesting the location of the boundary shall be given a reasonable opportunity to appeal the interpretation as provided in this Ordinance.
10. When Base Flood Elevation data and floodway data have not been provided by FEMA, obtain, review, and reasonably utilize any Base Flood Elevation and floodway data available from a Federal, State, or other sources, including data developed as a result of these regulations, as criteria for requiring that new construction, substantial improvements, or other development in Zone A

on the City of Fairview, Tennessee FIRM meet the requirements of this Ordinance.

11. Maintain all records pertaining to the provisions of this Ordinance in the office of the Administrator and shall be open for public inspection. Permits issued under the provisions of this Ordinance shall be maintained in a separate file or marked for expedited retrieval within combined files.

## **8-305 ARTICLE V. PROVISIONS FOR FLOOD HAZARD REDUCTION**

### **8-305.1 Section A. General Standards**

In all areas of special flood hazard, the following provisions are required:

1. New construction and substantial improvements shall be anchored to prevent flotation, collapse and lateral movement of the structure;
2. Manufactured homes shall be installed using methods and practices that minimize flood damage. They must be elevated and anchored to prevent flotation, collapse and lateral movement. Methods of anchoring may include, but are not limited to, use of over-the-top or frame ties to ground anchors. This requirement is in addition to applicable State of Tennessee and local anchoring requirements for resisting wind forces.
3. New construction and substantial improvements shall be constructed with materials and utility equipment resistant to flood damage;
4. New construction and substantial improvements shall be constructed by methods and practices that minimize flood damage;
5. All electrical, heating, ventilation, plumbing, air conditioning equipment, and other service facilities shall be designed and/or located so as to prevent water from entering or accumulating within the components during conditions of flooding;
6. New and replacement water supply systems shall be

designed to minimize or eliminate infiltration of flood waters into the system;

7. New and replacement sanitary sewage systems shall be designed to minimize or eliminate infiltration of flood waters into the systems and discharges from the systems into flood waters;
8. On-site waste disposal systems shall be located and constructed to avoid impairment to them or contamination from them during flooding;
9. Any alteration, repair, reconstruction or improvements to a building that is in compliance with the provisions of this Ordinance, shall meet the requirements of "new construction" as contained in this Ordinance;
10. Any alteration, repair, reconstruction or improvements to a building that is not in compliance with the provision of this Ordinance, shall be undertaken only if said non-conformity is not further extended or replaced;
11. All new construction and substantial improvement proposals shall provide copies of all necessary Federal and State permits, including Section 404 of the Federal Water Pollution Control Act amendments of 1972, 33 U.S.C. 1334;
12. All subdivision proposals and other proposed new development proposals shall meet the standards of Article V, Section B;
13. When proposed new construction and substantial improvements are partially located in an area of special flood hazard, the entire structure shall meet the standards for new construction;
14. When proposed new construction and substantial improvements are located in multiple flood hazard risk zones or in a flood hazard risk zone with multiple Base Flood Elevations, the entire structure shall meet the standards for the most hazardous flood hazard risk zone and the highest Base Flood Elevation.

#### **8-305.2 Section B. Specific Standards**

In all Areas of Special Flood Hazard, the following provisions, in addition to those set forth in Article V, Section A, are required:

1. Residential Structures

In AE Zones where Base Flood Elevation data is available, new construction and substantial improvement of any residential building (or manufactured home) shall have the lowest floor, including basement, elevated to no lower than one (1) foot above the Base Flood Elevation. Should solid foundation perimeter walls be used to elevate a structure, openings sufficient to facilitate equalization of flood hydrostatic forces on both sides of exterior walls shall be provided in accordance with the standards of this section: "Enclosures".

Within approximate A Zones where Base Flood Elevations have not been established and where alternative data is not available, the administrator shall require the lowest floor of a building to be elevated to a level of at least three (3) feet above the highest adjacent grade (as defined in Article II). Should solid foundation perimeter walls be used to elevate a structure, openings sufficient to facilitate equalization of flood hydrostatic forces on both sides of exterior walls shall be provided in accordance with the standards of this section: "Enclosures."

2. Non-Residential Structures

In AE Zones, where Base Flood Elevation data is available, new construction and substantial improvement of any commercial, industrial, or non-residential building, shall have the lowest floor, including basement, elevated or flood proofed to no lower than one foot above the level of the Base Flood Elevation. Should solid foundation perimeter walls be used to elevate a structure, openings sufficient to facilitate equalization of flood hydrostatic forces on both sides of exterior walls shall be provided in accordance with the standards of this section: "Enclosures"

In approximate A Zones, where Base Flood Elevations have not been established and where alternative data is not available, new construction and substantial improvement of any commercial, industrial, or non-residential building, shall have the lowest floor, including basement, elevated or flood proofed to no lower than three (3) feet above the highest adjacent grade (as defined in Article II). Should solid foundation perimeter walls be used to elevate a structure, openings sufficient to facilitate equalization of flood hydrostatic forces on both sides of exterior walls shall be provided in

accordance with the standards of this section: "Enclosures"

Non-Residential buildings located in all A Zones may be flood proofed, in lieu of being elevated, provided that all areas of the building below the required elevation are watertight, with walls substantially impermeable to the passage of water, and are built with structural components having the capability of resisting hydrostatic and hydrodynamic loads and the effects of buoyancy. A Tennessee registered professional engineer or architect shall certify that the design and methods of construction are in accordance with accepted standards of practice for meeting the provisions above, and shall provide such certification to the Administrator as set forth in Article IV, Section B.

### 3. Enclosures

All new construction and substantial improvements that include fully enclosed areas formed by foundation and other exterior walls below the lowest floor that are subject to flooding, shall be designed to preclude finished living space and designed to allow for the entry and exit of flood waters to automatically equalize hydrostatic flood forces on exterior walls.

- a. Designs for complying with this requirement must either be certified by a Tennessee professional engineer or architect or meet or exceed the following minimum criteria.
  - Provide a minimum of two openings having a total net area of not less than one (1) square inch for every square foot of enclosed area subject to flooding;
  - The bottom of all openings shall be no higher than one (1) foot above the finished grade;
  - Openings may be equipped with screens, louvers, valves or other coverings or devices provided they permit the automatic flow of floodwaters in both directions.
- b. The enclosed area shall be the minimum necessary to allow for parking of vehicles, storage or building access.
- c. The interior portion of such enclosed area shall not be finished or partitioned into separate rooms in such a way

as to impede the movement of floodwaters and all such partitions shall comply with the provisions of Article V, Section B.

#### 4. Standards for Manufactured Homes and Recreational Vehicles

- a. All manufactured homes placed, or substantially improved, on: (1) individual lots or parcels, (2) in expansions to existing manufactured home parks or subdivisions, or (3) in new or substantially improved manufactured home parks or subdivisions, must meet all the requirements of new construction.
- b. All manufactured homes placed or substantially improved in an existing manufactured home park or subdivision must be elevated so that either:
  - 1) In AE Zones, with Base Flood Elevations, the lowest floor of the manufactured home is elevated on a permanent foundation to no lower than one (1) foot above the level of the Base Flood Elevation or
  - 2) In approximate A Zones, without Base Flood Elevations, the manufactured home chassis is elevated and supported by reinforced piers (or other foundation elements of at least equivalent strength) that are at least three (3) feet in height above the highest adjacent grade (as defined in Article II).
- c. Any manufactured home, which has incurred "substantial damage" as the result of a flood, must meet the standards of Article V, Sections A and B.
- d. All manufactured homes must be securely anchored to an adequately anchored foundation system to resist flotation, collapse and lateral movement.
- e. All recreational vehicles placed in an identified Special Flood Hazard Area must either
  - 1) Be on the site for fewer than 180 consecutive days;
  - 2) Be fully licensed and ready for highway use (a recreational vehicle is ready for highway use if it is licensed, on its wheels or jacking system, attached to



the site only by quick disconnect type utilities and security devices, and has no permanently attached structures or additions), or;

- 3) The recreational vehicle must meet all the requirements for new construction.

5. Standards for Subdivisions and Other Proposed New Development Proposals

Subdivisions and other proposed new developments, including manufactured home parks, shall be reviewed to determine whether such proposals will be reasonably safe from flooding.

- a. All subdivision and other proposed new development proposals shall be consistent with the need to minimize flood damage.
- b. All subdivision and other proposed new development proposals shall have public utilities and facilities such as sewer, gas, electrical and water systems located and constructed to minimize or eliminate flood damage.
- c. All subdivision and other proposed new development proposals shall have adequate drainage provided to reduce exposure to flood hazards.
- d. In all approximate A Zones require that all new subdivision proposals and other proposed developments (including proposals for manufactured home parks and subdivisions) greater than 50 lots or 5 acres, whichever is the lesser, include within such proposals Base Flood Elevation data (See Article V, Section E)

**8-305.3 Section C. Standards for Special Flood Hazard Areas with Established Base Flood Elevations and With Floodways Designated**

Located within the Special Flood Hazard Areas established in Article III, Section B, are areas designated as flood ways. A floodway may be an extremely hazardous area due to the velocity of floodwaters, debris or erosion potential. In addition, the area must remain free of encroachment in order to allow for the discharge of the base flood without increased flood heights and velocities. Therefore, the following provisions shall apply:

1. Encroachments are prohibited, including earthen fill material, new construction, substantial improvements or other development within the regulatory floodway. Development may be permitted however, provided it is demonstrated through hydrologic and hydraulic analyses performed in accordance with standard engineering practices that the cumulative effect of the proposed encroachments or new development shall not result in any increase in the water surface elevation of the Base Flood Elevation, velocities, or floodway widths during the occurrence of a base Flood discharge at any point within the community. A Tennessee registered professional engineer

must

provide supporting technical data, using the same methodologies

Fairview,

as in the effective Flood Insurance Study for the City of Tennessee and certification, thereof.

2. New construction and substantial improvements of buildings, where permitted, shall comply with all applicable flood hazard reduction provisions of Article V, Sections A and B.

**8-305.4 Section D. Standards for Areas of Special Flood Hazard Zones AE with Established Base Flood Elevations but Without Floodways Designated**

Located within the Special Flood Hazard Areas established in Article III, Section B, where streams exist with base flood data provided but where no floodways have been designated (Zones AE), the following provisions apply:

1. No encroachments, including fill material, new construction and substantial improvements shall be located within areas of special flood hazard, unless certification by a Tennessee registered professional engineer is provided demonstrating that the cumulative effect of the proposed development, when combined with all other existing and anticipated development, will not increase the water surface elevation of the base flood more than one (1) foot at any point within the community. The engineering certification should be supported by technical data that conforms to standard hydraulic engineering principles.

2 New construction and substantial improvements of buildings, where permitted, shall comply with all applicable flood hazard reduction provisions of Article V, Sections A and B.

**8-305.5 Section E. Standards for Streams without Established Base Flood Elevations and Floodways (A Zones)**

Located within the Special Flood Hazard Areas established in Article III, Section B, where streams exist, but no base flood data has been provided and where a Floodway has not been delineated, the following provisions shall apply:

1. The Administrator shall obtain, review, and reasonably utilize any Base Flood Elevation and floodway data available from any Federal, State, or other sources, including data developed as a result of these regulations (see 2 below), as criteria for requiring that new construction, substantial improvements, or other development in approximate A Zones meet the requirements of Article V, Sections A and B.
2. Require that all new subdivision proposals and other proposed developments (including proposals for manufactured home parks and subdivisions) greater than 50 lots or 5 acres, whichever is the lesser, include within such proposals Base Flood Elevation data
3. Within approximate A Zones, where Base Flood Elevations have not been established and where such data is not available from other sources, require the lowest floor of a building to be elevated or flood proofed to a level of at least three (3) feet above the highest adjacent grade (as defined in Article II). All applicable data including elevations or flood proofing certifications shall be recorded as set forth in Article IV, Section B. Openings sufficient to facilitate automatic equalization of hydrostatic flood forces on exterior walls shall be provided in accordance with the standards of Article V, Section B.
4. Within approximate A Zones, where Base Flood Elevations have not been established and where such data is not available from other sources, no encroachments, including structures or fill material, shall be located within an area equal to the width of the stream or twenty feet (20), whichever is greater, measured from the top of the stream bank, unless certification by a Tennessee registered professional

engineer is provided demonstrating that the cumulative effect of the proposed development, when combined with all other existing and anticipated development, will not increase the water surface elevation of the base flood more than one (1) foot at any point within the City of Fairview, Tennessee. The engineering certification should be supported by technical data that conforms to standard hydraulic engineering principles.

5. New construction and substantial improvements of buildings, where permitted, shall comply with all applicable flood hazard reduction provisions of Article V, Sections A and B. Within approximate A Zones, require that those subsections of Article V Section B dealing with the alteration or relocation of a watercourse, assuring watercourse carrying capacities are maintained and manufactured homes provisions are complied with as required.

**8-305.6 Section F. Standards For Areas of Shallow Flooding (AO and AH Zones)**

Located within the Special Flood Hazard Areas established in Article III, Section B, are areas designated as shallow flooding areas. These areas have special flood hazards associated with base flood depths of one (1) to three (3) feet where a clearly defined channel does not exist and where the path of flooding is unpredictable and indeterminate; therefore, the following provisions, in addition to those set forth in Article V, Sections A and B apply:

1. All new construction and substantial improvements of residential and non-residential buildings shall have the lowest floor, including basement, elevated to at least one (1) foot above as many feet as the depth number specified on the FIRM's, in feet, above the highest adjacent grade. If no flood depth number is specified on the FIRM, the lowest floor, including basement, shall be elevated to at least three (3) feet above the highest adjacent grade. Openings sufficient to facilitate automatic equalization of hydrostatic flood forces on exterior walls shall be provided in accordance with standards of Article V, Section B.
2. All new construction and substantial improvements of non-residential buildings may be flood proofed in lieu of elevation. The structure together with attendant utility and sanitary facilities must be flood proofed and designed watertight to be completely flood proofed to at least one (1) foot above the flood depth number specified on the FIRM, with walls substantially impermeable to

the passage of water and with structural components having the capability of resisting hydrostatic and hydrodynamic loads and the effects of buoyancy. If no depth number is specified on the FIRM, the structure shall be flood proofed to at least three (3) feet above the highest adjacent grade. A Tennessee registered professional engineer or architect shall certify that the design and methods of construction are in accordance with accepted standards of practice for meeting the provisions of this Ordinance and shall provide such certification to the Administrator as set forth above and as required in accordance with Article IV, Section

3. Adequate drainage paths shall be provided around slopes to guide floodwaters around and away from proposed structures.

#### **8-305.7 Section G. Standards For Areas Protected by Flood Protection System (A-99 Zones)**

Located within the Areas of Special Flood Hazard established in Article III, Section B, are areas of the 100-year flood plain protected by a flood protection system but where Base Flood Elevations have not been determined. Within these areas (A-99 Zones) all provisions of Article IV and Article V shall apply.

#### **8-305.8 Section H. Standards for Unmapped Streams**

Located within the City of Fairview, Tennessee, are unmapped streams where areas of special flood hazard are neither indicated nor identified. Adjacent to such streams, the following provisions shall apply:

1. No encroachments including fill material or other development including structures shall be located within an area of at least equal to twice the width of the stream, measured from the top of each stream bank, unless certification by a Tennessee registered professional engineer is provided demonstrating that the cumulative effect of the proposed development, when combined with all other existing and anticipated development, will not increase the water surface elevation of the base flood more than one (1) foot at any point within the locality.
2. When a new flood hazard risk zone, and Base Flood Elevation and floodway data is available, new construction and

substantial improvements shall meet the standards established in accordance with Articles IV and V.

**8-306 ARTICLE VI. VARIANCE PROCEDURES**

**8-306.1 Section A. Municipal Board of Zoning Appeals**

**1. Authority**

The City of Fairview, Tennessee Municipal Board of Zoning Appeals shall hear and decide appeals and requests for variances from the requirements of this Ordinance.

**2. Procedure**

Meetings of the Municipal Board of Zoning Appeals shall be held at such times, as the Board shall determine. All meetings of the Municipal Board of Zoning Appeals shall be open to the public. The Municipal Board of Zoning Appeals shall adopt rules of procedure and shall keep records of applications and actions thereof, which shall be a public record. Compensation of the members of the Municipal Board of Zoning Appeals shall be set by the Legislative Body.

**3. Appeals: How Taken**

An appeal to the Municipal Board of Zoning Appeals may be taken by any person, firm or corporation aggrieved or by any governmental officer, department, or bureau affected by any decision of the Administrator based in whole or in part upon the provisions of this Ordinance. Such appeal shall be taken by filing with the Municipal Board of Zoning Appeals a notice of appeal, specifying the grounds thereof. In all cases where an appeal is made by a property owner or other interested party, a fee of \$100 dollars for the cost of publishing a notice of such hearings shall be paid by the appellant. The Administrator shall transmit to the Municipal Board of Zoning Appeals all papers constituting the record upon which the appeal action was taken. The Municipal Board of Zoning Appeals shall fix a reasonable time for the hearing of the appeal, give public notice thereof, as well as due notice to parties in interest and decide the same within a reasonable time which shall not be more than 45 days from the date of the hearing. At the hearing, any person or party may appear and be heard in person or by agent or by attorney.

#### 4. Powers

The Municipal Board of Zoning Appeals shall have the following powers:

##### 1. Administrative Review

To hear and decide appeals where it is alleged by the applicant that there is error in any order, requirement, permit, decision, determination, or refusal made by the Administrator or other administrative official in carrying out or enforcement of any provisions of this Ordinance.

##### 2. Variance Procedures

In the case of a request for a variance the following shall apply:

- a. The City of Fairview, Tennessee Municipal Board of Zoning Appeals shall hear and decide appeals and requests for variances from the requirements of this Ordinance.
- b. Variances may be issued for the repair or rehabilitation of historic structures as defined, herein, upon a determination that the proposed repair or rehabilitation will not preclude the structure's continued designation as a historic structure and the Variance is the minimum necessary deviation from the requirements of this Ordinance to preserve the historic character and design of the structure.
- c. In passing upon such applications, the Municipal Board of Zoning Appeals shall consider all technical evaluations, all relevant factors, all standards specified in other sections of this Ordinance, and:
  1. The danger that materials may be swept onto other property to the injury of others;
  2. The danger to life and property due to flooding or erosion;
  3. The susceptibility of the proposed facility and its contents to flood damage;
  4. The importance of the services provided by

the proposed facility to the community;

5. The necessity of the facility to a waterfront location, in the case of functionally dependent use;
  6. The availability of alternative locations, not subject to flooding or erosion damage, for the proposed use;
  7. The relationship of the proposed use to the comprehensive plan and floodplain management program for that area;
  8. The safety of access to the property in times of flood for ordinary and emergency vehicles;
  9. The expected heights, velocity, duration, rate of rise and sediment transport of the flood waters and the effects of wave action, if applicable: expected at the site;
  10. The costs of providing governmental services during and after flood conditions including maintenance and repair of public utilities and facilities such as sewer, gas, electrical, water systems, and streets and bridges.
- d. Upon consideration of the factors listed above, and the purposes of this Ordinance, the Municipal Board of Zoning Appeals may attach such conditions to the granting of variances, as it deems necessary to effectuate the purposes of this Ordinance.
- e. Variances shall not be issued within any designated floodway if any increase in flood levels during the base flood discharge would result.

**8-306.2 Section B. Conditions for Variances**

1. Variances shall be issued upon a determination that the



variance is the minimum relief necessary, considering the flood hazard and the factors listed in Article VI, Section A.

2. Variances shall only be issued upon: a showing of good and sufficient cause, a determination that failure to grant the variance would result in exceptional hardship; or a determination that the granting of a variance will not result in increased flood heights, additional threats to public safety, extraordinary public expense, create nuisance, cause fraud on or victimization of the public, or conflict with existing local laws or Ordinances.
3. Any applicant to whom a variance is granted shall be given written notice that the issuance of a variance to construct a structure below the Base Flood Elevation will result in increased premium rates for flood insurance (as high as \$25 for \$100) coverage, and that such construction below the Base Flood Elevation increases risks to life and property.
4. The Administrator shall maintain the records of all appeal actions and report any variances to FEMA upon request.

## **8-307 ARTICLE VII. LEGAL STATUS PROVISIONS**

### **8-307.1 Section A. Conflicts with Other Ordinances**

In case of conflict between this Ordinance or any part thereof, and the whole or part of any existing or future Ordinance of the City of Fairview, Tennessee, the most restrictive shall in all cases apply.

### **8-307.2 Section B. Severability**

If any section, clause, provision, or portion of this Ordinance shall be held to be invalid or unconstitutional by any court of competent jurisdiction, such holding shall not affect any other section, clause, provision, or portion of this Ordinance which is not of itself invalid or unconstitutional.

**BE IT FINALLY ORDAINED**, that this Ordinance shall take effect fifteen days (15) days after its first passage or upon second reading, whichever is later, the public welfare requiring it

Considered for Recommendation by the City of Fairview, Tennessee,  
Municipal Planning Commission this \_\_\_\_\_ day of \_\_\_\_\_, 2016

Recommendation of the City of Fairview, Municipal Planning Commission  
to the City of Fairview, Tennessee Board of Commissioners.  
Approved\_\_\_\_, Disapproved\_\_\_\_, No Recommendation \_\_\_\_

Ayes\_\_\_\_, Nays\_\_\_\_, Not voting \_\_\_\_

\_\_\_\_\_  
**MUNICIPAL PLANNING COMMISSION  
CHAIRMAN**

\_\_\_\_\_  
**MAYO  
R**

**ATTEST:**

\_\_\_\_\_  
**CITY RECORDER**

**APPROVED AS TO FORM:**

\_\_\_\_\_  
**CITY ATTORNEY**

**Passed First Reading** \_\_\_\_\_

**Passed Second Reading** \_\_\_\_\_

**Public Hearing Held** \_\_\_\_\_

September 29, 2016

9A

To: Fellow Board members, Scott, Tom and Dr. Rice  
From: Allen B  
Re: History Village Funding Request

Before turning the leadership of this effort over to Vice-Mayor Sutton, I thought I would recap our latest efforts in the funding of the History Village effort.

A. This is Dr. Rice's current request that is pending and will be included on the October 20<sup>th</sup> agenda.

The following uses of the requested \$17,000 appropriation will be made:

1. Enlarging the retention pond and construction of a fence which surrounds the pond This will prevent overflowing of the pond and will provide the needed security against accidents.  
\$2,000
2. Insulation of the floor of Triangle School  
\$4,000
3. Sand, prime, and paint (two coats) the exterior of the windows of Triangle School and the Boone Street Clinic  
\$2,000
4. Build and install three sets of handrails (two back steps and front porch of Triangle School  
\$2,000
5. Underpin Triangle School using Hardy board (to prevent freezing of the plumbing). This has been mentioned as an absolute necessity by the plumbers.  
\$7,000

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TOTAL: \$17,000

B. I have reviewed his request from the previous fiscal year of \$ 17,000. Per his testimony that money was to be spent on the following:

1. Tap connections with WADC
2. Installation of water/sewer lines and installation of pipes for restroom
3. Handicap toilet and accessories for restroom
4. Water heater
5. Any residual funds to be used for parking lot expansion and or retention pond enlargement and fencing.

C. It appears to me we have a bit of overlap that needs to be resolved before we approve the monies for this year and that some of the work could be done in-house over the winter time by the Parks and Streets Department as time permits. In my opinion these items would be the expansion of the parking lot, the handrails, the retention pond expansion.

D. I am sending Dr. Rice a copy of this document so that he can come to that meeting prepared to provide an accounting of where the first \$17,000 went in detail so that we can fully evaluate this request.

I hope you find this information useful.

9B

Bill # 2016-29

ORDINANCE NO. 943

**AN ORDINANCE FOR AN AMENDMENT TO THE CITY OF FAIRVIEW, TENNESSEE, BUDGET FOR FISCAL YEAR 2016 – 2017 BUDGET**

**Be it Ordained by the City of Fairview, Tennessee as follows:**

**WHEREAS**, the Board of Commissioners of the City of Fairview, Tennessee, have determined that the Budget for Fiscal Year 2016 - 2017 (beginning July 1, 2016 and running through June 30, 2017) should be amended to reflect the final expenditures for the Fiscal Year, and:

**WHEREAS**, the Board of Commissioners of the City of Fairview, Tennessee adopted the fiscal year 2016 – 2017 budget by passage of Ordinance Number 930 on June 23, 2016, and

**WHEREAS**, pursuant to the Tennessee state Constitution, Article II, Section 24, no public money shall be expended except pursuant to appropriations made by law, and

**WHEREAS**, pursuant to Tennessee Code Annotated § 6-56-209, the Board of Commissioners has the authority to authorize the Finance Director to transfer money from one appropriation to another within the same fund, and

**NOW THEREFORE BE IT ORDAINED BY THE CITY OF FAIRVIEW, TENNESSEE THAT CHANGES BE MADE TO THE FISCAL YEAR 2016-2017 BUDGET AS FOLLOWS:**

Section 1. Ordinance 930 is hereby amended to appropriate \$10,000 from the \$49,250 balance of the FY16 Property Tax Revenue allocated to Parks Improvement to improve History Village.

Appropriate From

Account #	Current Balance	Appropriation Amt.	New Balance
110-27100	\$49,250.00	\$ 10,000.00	\$39,250.00

Appropriate To

Account #	Current Budget	Amended Amt	New Budget
110-44700-792	\$ 0.00	\$ 10,000.00	\$ 10,000.00

Section 2. The Financial Officer is hereby authorized to make said changes in the accounting system.

**BE IT FURTHER ORDAINED**, If any sentence, clause, phrase or paragraph of this Ordinance is declared to be unconstitutional by any Court of competent jurisdiction; such holding will not affect any other portion of this Ordinance.

**BE IT FINALLY ORDAINED**, that this Ordinance shall take effect fifteen days (15) days after its first passage or upon second reading, whichever is later, the public welfare requiring it.

\_\_\_\_\_  
**MAYOR**

\_\_\_\_\_  
**CITY RECORDER**

**APPROVED AS TO FORM:**

\_\_\_\_\_  
**CITY ATTORNEY**

**Passed First Reading**

\_\_\_\_\_

**Passed Second Reading**

\_\_\_\_\_



CITY OF FAIRVIEW, TENNESSEE



RESOLUTION NO. 14-16

**A RESOLUTION TO SET A PUBLIC HEARING FOR THE PURPOSE OF OBTAINING PUBLIC COMMENT ON THE ANNEXATION OF CERTAIN PROPERTY LOCATED AT 7338 OVERBEY ROAD, HEREIN DESCRIBED BELOW AND TO INCORPORATE SAME WITHIN THE CORPORATE BOUNDARIES OF THE CITY OF FAIRVIEW, TENNESSEE; THE PROPERTY TO BE ANNEXED IS LOCATED IN WILLIAMSON COUNTY, CITY OF FAIRVIEW, TENNESSEE GEOLOGICAL LISTING OF ASSESSMENT ROLL MAP 46, PARCEL 44.06, CONTAINING 2.17 ACRES BELONGING TO ERICK ALLEN MAGGART AND WIFE KELLY LENORE LAMPLEY MAGGART.**

**WHEREAS**, The City of Fairview, Tennessee is in the process of Annexing into the Corporate Boundaries Certain Property herein described and the Statutes of the State of Tennessee require that a public hearing be held for the purpose of obtaining the public's comments regarding the proposed annexation and,

**WHEREAS**, the Board of Commissioners for the City of Fairview, Tennessee have determined that January 19, 2016, is an acceptable date for the conduct of such a public hearing.

**NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COMMISSIONERS OF THE CITY OF FAIRVIEW, TENNESSEE.**

1. That a public hearing for the purpose of obtaining the comments of the public regarding the Annexation of the below described property into the Corporate Limits of the City of Fairview, Tennessee is scheduled and will be held at 7:00 O'Clock P.M., January 19, 2016, in the City Hall of the City of Fairview, Tennessee.

The Property to be Annexed upon which public comment is sought is as follows:

City of Fairview, Tennessee Geological Listing of Assessment Roll **Map 46, Parcel 44.06**, described as follows:

Williamson County, Tennessee, Tax **Map 046, Parcel 44.06**, Recorded in **Deed Book 6708, Page 976**, Register's Office for Williamson County, Tennessee. The description is hereby Incorporated into and made a part of This Resolution by reference as fully as if copied into This Resolution verbatim.

Adopted this the \_\_\_\_\_ day of \_\_\_\_\_, 2016.

\_\_\_\_\_  
**MAYOR**

**ATTEST:**

\_\_\_\_\_  
**CITY RECORDER**

**APPROVED AS TO FORM:**

\_\_\_\_\_  
**CITY ATTORNEY**



Bill # 2016-34

10C

ORDINANCE NO. 948

A REPLACEMENT FOR BILL #2015-36, ORDINANCE NO. 901

AN ORDINANCE TO CHANGE THE ZONING OF CERTAIN PROPERTY IN THE CITY OF FAIRVIEW, TENNESSEE, LOCATED ON HORN TAVERN ROAD, OWNED BY RAYMOND PRUITT AND WIFE BROWNIE LEE PRUITT, AS SHOWN ON, WILLIAMSON COUNTY, TAX MAP 022, PARCEL 15.00, FROM RS – 40 (RESIDENTIAL), TO RS – 15 PUD (RESIDENTIAL PLANNED UNIT DEVELOPMENT).

**WHEREAS**, a public hearing before the Board of Commissioners of the City of Fairview, Tennessee was held on the 19th day of January, 2017, pursuant to a resolution adopted on December 19th, 2016; and

**WHEREAS**, it appears to the Board of Commissioners of the City of Fairview, Tennessee that the owners **Raymond Pruitt and Wife, Brownie Lee Pruitt**, have requested a changing of the Zoning Classification relative to the property below described and that the said request is well taken and,

**NOW, THEREFORE, BE IT ORDAINED BY THE CITY OF FAIRVIEW, TENNESSEE, AS FOLLOWS;**

**THE ZONING CLASSIFICATION FOR ALL THE BELOW DESCRIBED PROPERTY IS DESIGNATED AS AND CHANGED FROM ITS PRESENT ZONING DESIGNATION RS – 40 (RESIDENTIAL), TO RS – 15 PUD (RESIDENTIAL PLANNED UNIT DEVELOPMENT). THE PROPERTY FOR WHICH THE ZONING CHANGE IS MADE AND OR ADOPTED IS DESCRIBED AS FOLLOWS:**

Property in Williamson County, Tennessee, Geological Listing of Assessment **Tax Roll Map 022, Parcel 15.00**, Recorded in **Deed Book 174, Page 162**, Register's Office for Williamson County, Tennessee, Less excepting and excluding from the rezoning the property listed on **Tax Roll Map 022, Parcel 15.01 and Tax Roll Map 022, Parcel 15.02** both parcels are described in **Deed Book 420, Page 789 and Deed Book 1273, Page 641, respectively**, Register's Office for

Williamson County, Tennessee. The descriptions of all three (3) Parcels are hereby Incorporated into and made a part of This Ordinance by reference as fully as if copied into This Ordinance Verbatim.

This Ordinance shall take effect at the earliest date provided by law following its final reading and approval, the public welfare requiring it.

\_\_\_\_\_  
**MAYOR**

\_\_\_\_\_  
**CITY RECORDER**

**Approved as to form:**

\_\_\_\_\_  
**City Attorney**

**Passed first reading:** \_\_\_\_\_

**Passed second reading:** \_\_\_\_\_

**Public Hearing Held on:** \_\_\_\_\_

# City of Fairview

7100 City Center Way  
Fairview, TN 37062-0069



Phone: 615-799-1585  
Fax: 615-799-5599  
Email: codes@fairview-tn.org

## REZONING REQUEST APPLICATION

For a Rezoning Request, the City of Fairview **requires** the following:

1. Completion of this application. Please type or print the information in blue or black ink.
2. A map of the property.
3. A list of Names **and** addresses of **all** adjacent property owners.
4. A legal description of the property, if available.
5. If the applicant is not the property owner, a letter from the property owner must be attached giving the authority to request the zoning.
6. A letter summarizing the project proposal, including the proposed usage of the land, reason for the rezoning request and justification for the rezoning request.
7. Payment of a Non-Refundable \$200.00 application fee (Checks should be made payable to "City of Fairview")

.....  
Request No. \_\_\_\_\_ Date Submitted 8/14/15

### SECTION 1 – Applicant Information

(Any correspondence from the City will be addressed to the applicant)

- Property Owner       Purchaser of Property       Engineer Trustee  
 Architect       Other \_\_\_\_\_

Name: GARY MARTIN Phone: \_\_\_\_\_

Business: MARTIN CONSULTING & ENGINEERING, LLC E-mail: \_\_\_\_\_

Address: \_\_\_\_\_ Best Way to Contact: either  
(Mail, E-mail, Phone)

City: \_\_\_\_\_ State: \_\_\_\_\_ Zip: \_\_\_\_\_

.....

**SECTION 2 – Property Information for the Rezoning Request**

Project Name: MANGRUM SUBDIVISION  
 Project Address: HORN TOWN ROAD  
 Existing Land Use: Residential / AG  
 Proposed Land Use: Residential Planned Unit Development RS-15 PUD  
 Total Acreage of Project/Rezoning: 21.91 Ac

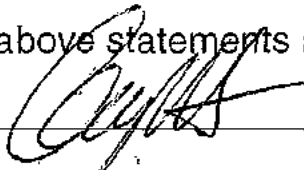
TAX MAP	PARCEL(S)	CURRENT ZONING DISTRICT	REQUESTED ZONING DISTRICT	# OF ACRES	PROPERTY OWNER
22	15	RS-40	RS-15 PUD	21.91	PRUITT

\*\*\*Reason for Rezoning must be included on an attached sheet.

*FOR DEVELOPMENT AS A RESIDENTIAL PUD, FOR THE DESIGN OF SMALLER LOTS THAT ALLOWS COMMON OPEN SPACE.*

The rezoning process takes approximately three to four months depending on when the application is received by the City. The request must go to the Planning Commission where it receives a recommendation to go to the Board of Commissioners. The Planning Commission reserves the right to make a recommendation on the application as submitted, or an amended application requested at the time of deliberation. The Board of Commissioners must approve a Rezoning Ordinance on two readings and hold a Public Hearing before the rezoning request is considered approved.

I certify that all of the above statements are true to the best of my knowledge.

Applicant's Signature:  Date: 8/14/15



**FOR OFFICE USE ONLY**

APPLICATION RECEIVED AND FILING FEE PAID 8-14-2015 PAID - 8-31-2015

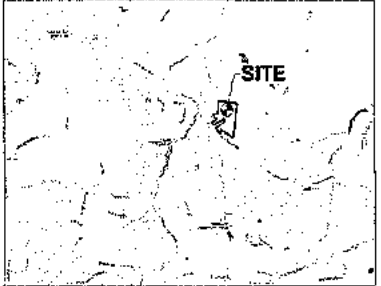
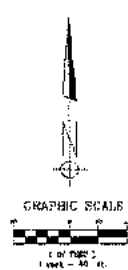
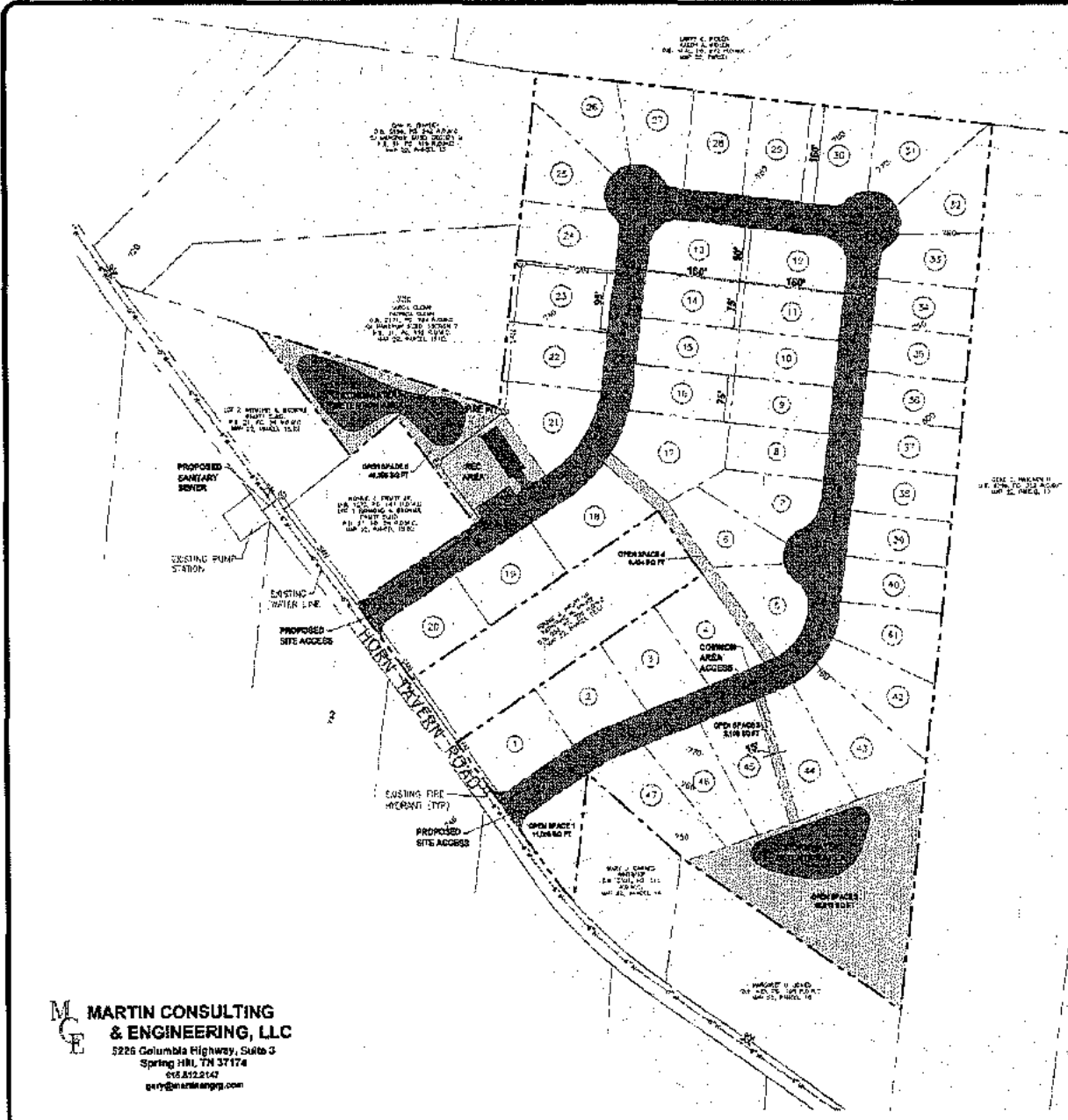
DATE OF FAVORABLE RECOMMENDATION BY PLANNING COMMISSION  
\_\_\_\_\_

DATE OF CONCURRENCE /FINAL APPROVAL BY BOARD OF COMMISSIONERS  
\_\_\_\_\_

THE PLANNING COMMISSION HAS DETERMINED THAT THE FOLLOWING FINDINGS ARE APPLICABLE;

- \_\_\_\_\_ 1. The Amendment is in agreement with the general plan for the area.
- \_\_\_\_\_ 2. It has been determined that the legal purposes for which zoning exists are not contravened.
- \_\_\_\_\_ 3. It has been determined that there will be no adverse effect upon adjoining property owners, unless such effect can be justified by the overwhelming public good or welfare.
- \_\_\_\_\_ 4. It has been determined that no property owner or small group of property owners will benefit materially from the change to the detriment of the general public.
- \_\_\_\_\_ 5. It has been determined that conditions affecting the area have changed a sufficient extent to warrant an amendment to the zoning map.

.....



SITE VICINITY MAP

**DEVELOPMENT SUMMARY**

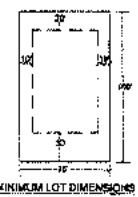
**ZONING**  
 EXISTING: RS-40  
 PROPOSED: RS-15 PUD

**DENSITY**  
 ALLOWED: 2.9 UNITS/ACRE  
 OR 21.4 X 2.9 = 62 UNITS  
 PROPOSED: 47 UNITS (2.2 UNITS/ACRE)

SITE AREA: 21.40 ACRES  
 OPEN SPACE: 3.23 ACRES  
 15%

**LOT SUMMARY**

LOT #	Area (SQ FT)	Lot #	Area (SQ FT)
1	16,840	16	15,817
2	15,180	17	15,278
3	15,180	18	15,278
4	15,899	19	15,278
5	15,899	20	15,278
6	15,899	21	15,278
7	15,899	22	15,278
8	15,899	23	15,278
9	15,899	24	15,278
10	15,899	25	15,278
11	15,899	26	15,278
12	15,899	27	15,278
13	15,899	28	15,278
14	15,899	29	15,278
15	15,899	30	15,278
16	15,899	31	15,278
17	15,899	32	15,278
18	15,899	33	15,278
19	15,899	34	15,278
20	15,899	35	15,278
21	15,899	36	15,278
22	15,899	37	15,278



MINIMUM LOT DIMENSIONS

**MCE** MARTIN CONSULTING & ENGINEERING, LLC  
 5225 Columbia Highway, Suite 3  
 Spring Hill, TN 37174  
 615.812.2142  
 gary@martinengr.com

**PRELIMINARY MASTER PLAN  
 OF  
 PLANNED UNIT DEVELOPMENT  
 HORN TAVERN ROAD**  
 FAIRVIEW, TENNESSEE  
 WILLIAMSON COUNTY  
 AUGUST 14, 2015







CJ MANGERUM SUBDIVISION  
SECTION 2

15  
23.5 ACC

17  
15 AC

15.01  
1.4 ACC

14  
1.01 AC

16  
2 AC

13.02  
2.5 AC

135  
2.01 AC

13.01  
1.08 AC

5.17 AC

137.01

136  
2.72 AC

139  
7.34 AC

153  
5.99 AC

149  
5.1 AC

01

01 C

13.01  
2 AC

13  
4.06 AC

27.0

5 A

18

HORN LAVER RD



# City of Fairview

7100 CITY CENTER WAY

FAIRVIEW, TN. 37062



Phone: 615-799-1585

Email: [codes@fairview-tn.org](mailto:codes@fairview-tn.org)

## RECOMMENDATIONS

2015 - 6

**DATE: SEPTEMBER 08, 2015**

**TO: FAIRVIEW BOARD OF COMMISSIONERS**

**FROM: FAIRVIEW MUNICIPAL PLANNING COMMISSION**

\*\*\*\*\*

**On SEPTEMBER 08, 2015 the following items were voted on by the Fairview Municipal Planning Commission with a recommendation to be forwarded to the Board of Commissioners for consideration.**

8.5 DISCUSS AND/OR TAKE ACTION ON REZONING APPLICATION FOR PROPERTIES LOCATED ON HORN TAVERN ROAD. MAP 22, PARCELS 63.00 , 64.00, 65.00, 66.00, 15 ACRES. FROM RS-40 TO R-20. PRISCILLA LAMPLEY, OWNER.

Sutton made a motion for approval. Mangrum Seconded. Engineers report stated. The Land Use Map indicates this area to be considered for Medium Density residential. The R-20 designation is considered a medium density residential zone. Please note that prior to PC plat approval, WADC should be consulted for sewer connection feasibility. All were in favor.

8.6 DISCUSS AND/OR TAKE ACTION ON REZONING APPLICATION, INCLUDING THE PRELIMINARY MASTER PLAN, FOR PROPERTY LOCATED AT 7718 HORN TAVERN ROAD. MAP 22, PARCELS 15.00 & 15.01. FROM RS-40 TO RS-15 PUD. 24.09 ACRES. RAYMOND & BROWNIE LEE PRUITT OWNERS

Mangrum recused himself from voting but will take part in the discussion. Sutton made a motion for approval. Mitchell Seconded. Per Engineers report, WADC has confirmed to City staff that they will not be able to provide this development with access to the existing sewer located adjacent to this site. WADC has indicated they will allow this site to be served by an onsite, decentralized system. The submitted PUD Preliminary Master Development Plan does not indicate that the site will be served by an onsite decentralized system. As such, staff recommends any approval be granted with the contingency that the proposed development be served by an onsite, decentralized sewer system. Mangrum stated the reason he brought this before them was he wanted to shed some light on the sewer situation. Discussion was made on smaller developments and the cost of the decentralized sewer systems. Beata amended the motion to approve contingent upon approval from the WADC for sewer. Butler Seconded. All were in favor.



100

CITY OF FAIRVIEW, TENNESSEE

RESOLUTION NO. 17-16

A RESOLUTION TO SET A PUBLIC HEARING FOR THE PURPOSE OF OBTAINING PUBLIC COMMENT ON CHANGING THE ZONING OF CERTAIN PROPERTY IN THE CITY OF FAIRVIEW, TENNESSEE, LOCATED ON HORN TAVERN ROAD, OWNED BY RAYMOND PRUITT AND WIFE BROWNIE LEE PRUITT, AS SHOWN ON, WILLIAMSON COUNTY, TAX MAP 022, PARCEL 15.00, FROM RS – 40 (RESIDENTIAL), TO RS – 15 PUD (RESIDENTIAL PLANNED UNIT DEVELOPMENT).

WHEREAS, The City of Fairview, Tennessee is in the process of changing the Zoning Classification of Certain Property herein described and the Statutes of the State of Tennessee require that a public hearing be held for the purpose of obtaining the public’s comments regarding the proposed Zoning Classification Change and,

WHEREAS, the Board of Commissioners for the City of Fairview, Tennessee have determined that January 19, 2017 is an acceptable date for the conduct of such a public hearing.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COMMISSIONERS OF THE CITY OF FAIRVIEW, TENNESSEE.

- 1. That a public hearing for the purpose of obtaining the comments of the public regarding the change in the Zoning Classification of the below described property located in the Corporate Limits of the City of Fairview, Tennessee is scheduled and will be held at 7:00 O’Clock P.M., January 19, 2017, in the City Hall of the City of Fairview, Tennessee.

The Property for which the Zoning Change is requested and for which public comment is sought is described as follows:

Property in Williamson County, Tennessee, Geological Listing of Assessment Tax Roll Map 022, Parcel 15.00, Recorded in Deed Book 174, Page 162, Register’s Office for Williamson County, Tennessee, Less excepting and excluding from the rezoning the property listed on Tax Roll Map 022, Parcel 15.01 and Tax Roll Map 022, Parcel 15.02 both parcels are described in Deed Book 420, Page 789 and Deed Book 1273, Page 641, respectively, Register’s Office for Williamson County, Tennessee. The descriptions of all three (3) Parcels are hereby

Incorporated into and made a part of This Resolution by  
reference as fully as if copied into This Resolution Verbatim.

Adopted this the \_\_\_\_\_ day of \_\_\_\_\_, 2016.

---

**MAYOR**

**ATTEST:**

---

**CITY RECORDER**

**APPROVED AS TO FORM**

---

**LARRY D. CANTRELL  
CITY ATTORNEY  
FAIRVIEW, TENNESSEE**

10E

**CITY OF FAIRVIEW, TENNESSEE**

Annual Financial Report

For the Year Ended June 30, 2016

**CITY OF FAIRVIEW, TENNESSEE**

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**CITY OF FAIRVIEW, TENNESSEE**

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**CITY OF FAIRVIEW, TENNESSEE**

**Directory of Officials**

**June 30, 2016**

<u>Name</u>	<u>Title</u>
Patti Carroll	Mayor
Toney Sutton	Vice Mayor
Allen Bissell	Commissioner
Shannon Crutcher	Commissioner
Stuart Johnson	Commissioner
Wayne Hall	City Manager
Brandy Johnson	City Recorder
Tom Daugherty	Finance Director

# YEARY, HOWELL & ASSOCIATES

*Certified Public Accountants*

501 EAST IRIS DRIVE  
NASHVILLE, TN 37204-3109

HUBERT E. (BUDDY) YEARY  
GREGORY V. HOWELL

(615) 385-1008  
FAX (615) 385-1208

## INDEPENDENT AUDITORS' REPORT

To the Mayor and Commissioners  
City of Fairview, Tennessee  
Fairview, Tennessee

### **Report on the Financial Statements**

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the City of Fairview, Tennessee, (the City) as of and for the year ended June 30, 2016 and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

### **Management's Responsibility for the Financial Statements**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

### **Auditor's Responsibility**

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the City's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

### **Opinions**

In our opinion, based on our audit, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the City of Fairview, Tennessee, as of June 30, 2016, and the respective changes in financial position, and the budgetary comparison for the General Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

## Other Matters

### *Required Supplementary Information*

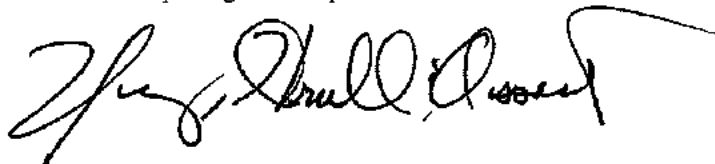
Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 3 through 9 and schedules of net pension liability (asset), employer contributions, ratios and related actuarial methods and assumptions based on participation in the Public Employee Pension Plan of TCRS on pages 38-40 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### *Other Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The Directory of Officials, Combining and Individual Nonmajor Fund Statements and Schedules, and Financial Schedules are presented for purposes of additional analysis and are not a required part of the financial statements. The Combining and Individual Nonmajor Fund financial statements and schedules and Financial are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information, except for those Financial Schedules marked as "Unaudited", has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, based on our audit, the procedures performed as described above, the Individual Nonmajor Fund financial statements and schedules and Financial Schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole. The information marked as "Unaudited" has not been subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we do not express an opinion or provide any assurance on it. The Directory of Officials has not been subjected to the auditing procedures applied by us and, accordingly, we express no opinion on them

### *Other Reporting Required by Governmental Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated September 2, 2016 on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.



October 21, 2016



## Management's Discussion and Analysis

As management of the City of Fairview, Tennessee (the City) we offer readers of the City's financial statements this narrative overview and analysis of the financial activities of the City for the fiscal year ended June 30, 2016. The analysis focuses on significant financial position, budget changes, and variances from the budget and specific issues related to funds and the economic factors affecting the City.

Management's Discussion and Analysis (MD&A) focuses on current year activities and resulting changes.

### Financial Highlights:

- The assets and deferred outflows of the City of Fairview exceeded its liabilities and deferred inflows at the end of the most recent fiscal year by \$20,680,596 as compared to \$19,785,039 at the end of the prior fiscal year. Of this amount, \$1,952,033 (unrestricted net position) may be used to meet the government's on-going obligations to citizens and creditors as compared to \$415,605 for the prior fiscal year.
- The government's total net position increased by \$686,785 during the current fiscal year as compared to a decrease of \$793,192 in the prior fiscal year.
- As of the close of the current fiscal year, the City's governmental funds reported combined ending fund balances of \$2,490,304, an increase of \$1,575,518 in comparison to the prior year. Approximately \$1,020,668 of that total is available for spending at the government's discretion (unassigned fund balance).
- At the end of the current fiscal year, fund balance of the General Fund was \$2,289,353 or 43% of total general fund expenditures as compared to \$368,042 or 7% of the total general fund expenditures of the prior fiscal year.
- The City's total bond debt increased by \$110,241 (or approximately 4%) during the current fiscal year.

### Overview of the Financial Statements:

This discussion and analysis is intended to serve as an introduction to the City of Fairview's basic financial statements. The City's basic financial statements comprise three components: (1) government-wide financial statements, (2) fund financial statements, and (3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

**Government-wide financial statements.** The Government-wide financial statements are designed to provide readers with a broad overview of the City's finances, in a manner similar to a private-sector business.

The Statement of Net Position presents information on all of the City's assets and liabilities, with the difference between the two reported as net position. Overall increases or decreases in net position may serve as a useful indicator of whether the financial position of the City is improving or deteriorating.

### **Overview of the Financial Statements (Continued):**

The Statement of Activities presents information showing how the government's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected tax and earned but unused vacation leave).

Both of the government-wide financial statements distinguish functions of the City that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the City of Fairview include general government, public safety, highways and streets, codes, financial administration and parks and recreation.

The government - wide financial statements can be found on pages 10-11 of this report.

Fund financial statements. A Fund is a grouping of related accounts that is used to maintain control over resources segregated for specific activities or objectives. The City of Fairview, Tennessee, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the City are of one category, governmental funds, there are no proprietary funds.

Governmental Funds. Governmental Funds are funds used to account for essentially the same functions reported as governmental activities in the government - wide financial statements. However, unlike the government-wide financial statements, government fund financial statements focus on near - term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near - term financing requirements

Because the focus of governmental funds is narrower than that of the government - wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government - wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The City maintains individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the general fund which is considered to be a major fund. Data from the other four governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining statements elsewhere in this report.

The City of Fairview, Tennessee adopts an annual appropriated budget for its general fund. A budgetary comparison statement has been provided for the general fund to demonstrate compliance with this budget.

The basic governmental fund financial statements can be found on pages 12-19 of this report.

## Overview of the Financial Statements (Continued):

Notes to the financial statements. The notes provide additional information that is essential to a full understanding of the data provided in the government - wide and fund financial statements. The notes to the financial statements can be found on pages 20-37 of this report.

The combining statements referred to earlier in connection with non major governmental funds and internal service funds are presented immediately following the notes to financial statements. Combining and individual fund statements and schedules can be found on pages 41-44 of this report.

## Financial Analysis of the Financial Statements

### Government - wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the City of Fairview, assets exceeded liabilities by \$20,680,596 at the close of the most recent fiscal year as compared to \$19,785,039 at the close of the prior fiscal year.

By far the largest portion of the City's net position (85%) reflects its investment in capital assets (e.g., land , buildings, machinery, and equipment), less any related debt used to acquire those assets that is still outstanding. The City uses these capital assets to provide services to citizens: consequently, these assets are not available for future spending. Although the City's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

## Financial Analysis of the Financial Statements

### City of Fairview's Net Position

	Governmental Activities	
	2016	2015
Current and other assets	\$ 4,382,722	2,724,595
Capital assets, net of depreciation	20,992,484	21,849,969
Net pension asset	263,969	325,628
Deferred outflows of resources	171,329	176,148
<b>Total assets</b>	<b>\$ 25,810,504</b>	<b>25,076,340</b>
Deferred inflows of resources	\$ 1,882,780	1,990,954
Long-term liabilities due in more than one year	2,793,473	2,528,821
Long-term liabilities due within one year	294,617	460,232
Other liabilities	159,037	311,294
<b>Total liabilities and deferred inflows</b>	<b>5,129,908</b>	<b>5,291,301</b>
Net position:		
Net Investment in capital assets	18,023,069	19,025,210
Restricted	704,545	344,224
Unrestricted	1,952,982	415,605
<b>Total net position</b>	<b>\$ 20,680,596</b>	<b>19,785,039</b>

An additional portion of the City's net position (3%) represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net position of \$1,952,033 as compared to \$415,605 in 2015 may be used to meet the government's ongoing obligations to citizens and creditors.

At the end of the current fiscal year, the City is able to report positive balances in all three categories of net position.

**Financial Analysis of the Financial Statements (Continued):**

Governmental Activities

The government's net position increased by \$686,785 during the current fiscal year as compared to a decrease of \$793,193 during the prior fiscal year.

Key elements of this increase are as follows:

**City of Fairview's Changes in Net Position**

	<b>Governmental Activities</b>	
	<b>2016</b>	<b>2015</b>
<b>Revenues:</b>		
<b>Program revenues:</b>		
Charges for services	\$ 331,705	334,615
Operating grants and contributions	442,547	413,252
Capital grants and contributions	472,688	-
<b>General revenues:</b>		
Property taxes	1,759,763	1,076,809
Sales taxes	1,891,068	1,720,005
Other taxes	1,384,778	1,577,801
Other	43,397	179,507
Total revenues	<u>6,325,946</u>	<u>5,301,989</u>
<b>Expenditures/Expenses:</b>		
General government	1,400,874	2,410,446
Public safety	2,577,771	2,500,548
Streets	573,964	230,934
State Street Aid	217,567	52,201
Financial Administration	164,655	153,059
Parks and recreation	255,172	263,103
Codes Administration	114,331	190,449
City Court	117,944	104,414
Miscellaneous	129,754	110,602
Interest expense on long-term debt	87,129	79,426
Total expenses	<u>5,639,161</u>	<u>6,095,182</u>
Change in net position	686,785	(793,193)
Net position, beginning of year, as restated	* 19,993,811	** 20,578,231
Net position, end of year	<u>\$ 20,680,596</u>	<u>19,785,039</u>

\* As restated in the amount of \$208,772 as explained in Note 10 to the financial statements.

\*\* As restated in the amount of \$151,908 for governmental activities arising from the implementation of GASB 68.

**Financial Analysis of the Financial Statements (Continued):**

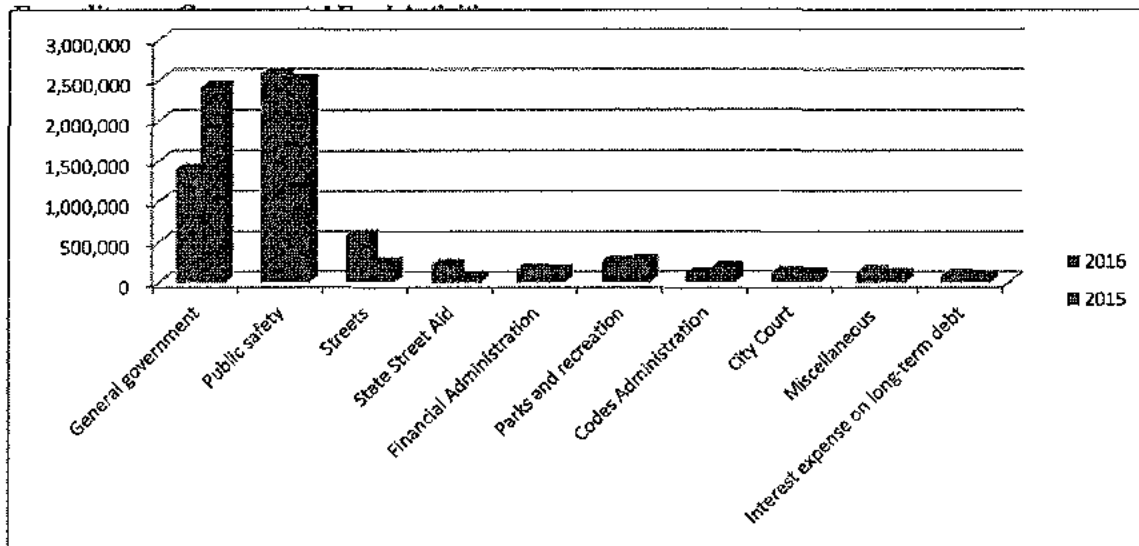
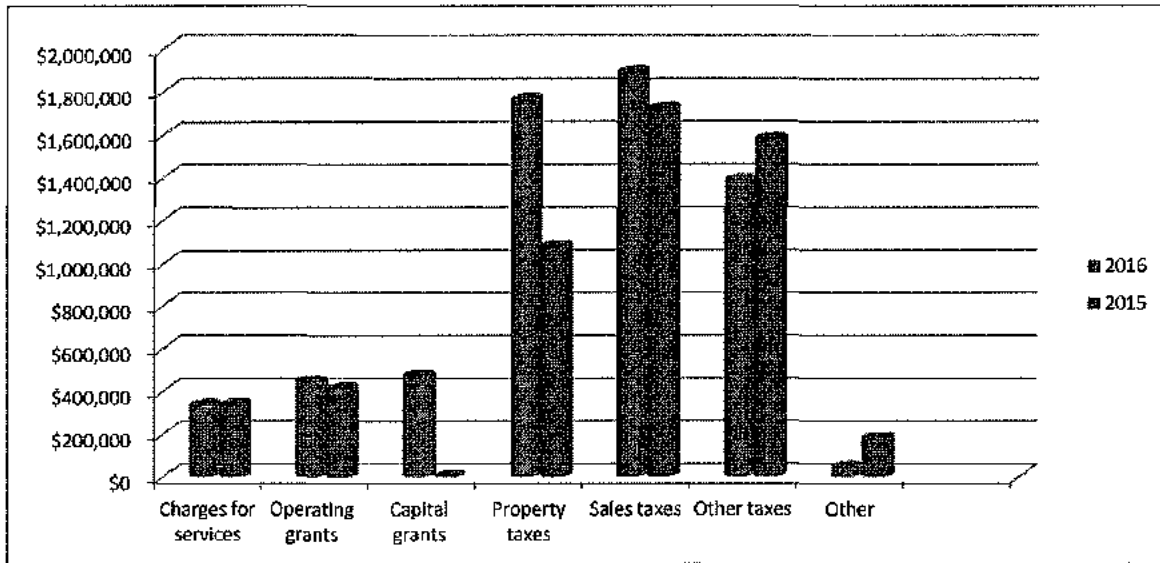
**Governmental Activities:**

The most significant decrease in actual continued revenue sources was derived from property taxes and sales tax which increased by approximately \$855,524. By far the largest increase came from a property tax increase resulting in an increase of approximately \$684,000 or 13% from that of the prior year.

Total expenditures decreased approximately \$459,000 or 7% from the prior year. Expenditures for the current year remained very similar to those of the prior year.

Governmental policy continues to recognize that local revenue sources must be the foundation for providing basic public services rather than depending on uncertain Federal and State sources. To this end, it is vitally important to continue efforts to seek balanced diversity, equity and efficiency in local revenue systems to better accommodate future growth.

**Revenues by Source - Governmental Fund Activities**



**Financial Analysis of the Financial Statements (Continued)**

As noted earlier, the City uses fund accounting to ensure and demonstrate compliance with finance - related legal requirements.

Governmental Funds

The focus of the City of Fairview 's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the City's financing requirements in particular, unreserved fund balance may serve as a useful measure to a government's net resources available for spending at the end of the fiscal year.

As of the end of the current fiscal year, the City's governmental funds reported combined ending fund balances of \$2,490,304, an increase of \$1,575,518 in comparison with the prior year. Approximately 41% of this total amount (\$1,020,668) constitutes unassigned fund balance, which is available for spending at the government's discretion, the remainder of fund balance (\$1,469,636) is either restricted for various specific purposes or committed to parks, the tree bank and school facilities, as well as, the commitment of funds as required by the City's stabilization policy.

The general fund is the chief operation fund of the City of Fairview, Tennessee. At the end of the current fiscal year, unassigned fund balance of the general fund was \$1,020,668. As a measure of the general fund's liquidity, it may be useful to compare unassigned fund balance to total fund expenditures. Unassigned fund balance represents 19% of total general fund expenditures.

The fund balance of the City's general fund increased by \$1,528,745 during the current fiscal year. Key factors in this decrease are as follows:

- General Fund revenues increased by approximately \$1,075,000 from the prior, the most significant came from tax revenues which increased by approximately \$857,000, with property taxes and sales taxes accounting for \$617,000 and \$171,000, or in the aggregate approximately 73% of the of the total increase. General Fund expenditures decreased by approximately \$195,000 or 3.5%. The Police Department had the largest decrease in expenditures experiencing a total decrease of approximately \$278,000 with salaries accounting for approximately 82% of the decrease.

**General Fund Budgetary Highlights**

Department	Budgeted Amounts	
	Original	Final
General Government	\$ 1,110,183	1,484,881
Financial Administration	164,028	167,278
City Court	113,948	118,948
Codes Administration	119,450	119,450
Police Department	1,470,654	1,442,779
Fire Department	826,410	820,410
Streets	228,943	228,943
State Street Aid	156,500	254,100
Parks and Recreation	211,827	276,327
Debt service	36,731	720,310
<b>Total Expenditures</b>	<b>\$ 4,438,674</b>	<b>5,633,426</b>

## Capital Assets

The City of Fairview's investment in capital assets from its governmental type activities as of June 30, 2016 amounted to \$20,992,484 (net of accumulated depreciation). This investment in capital assets includes land, building, improvements, equipment, and infrastructure. The total increase in the City's investment in capital assets for the current year was 4%.

### **Capital Assets, Continued**

Capital Asset Type:	<u>June 30, 2016</u>	<u>June 30, 2015</u>
Land and land improvements	\$ 2,492,600	2,492,600
Buildings and improvements	4,277,477	4,236,375
Machinery and equipment	3,920,003	3,873,464
Infrastructure	<u>27,407,978</u>	<u>27,330,978</u>
Total Capital Assets	38,098,058	37,933,417
Less accumulated depreciation	<u>(17,105,574)</u>	<u>(16,083,444)</u>
Total	<u>\$ 20,992,484</u>	<u>21,849,973</u>

Additional information on the City of Fairview's capital assets can be found in the notes to the financial statements section of this report.

### **Long - Term Debt**

At the end of the current year, the City of Fairview had bonded debt outstanding of \$2,935,000. The entire amount is secured first by the full faith and credit of the City.

	<u>June 30, 2016</u>	<u>June 30, 2015</u>
<b>City of Fairview's Outstanding Debt</b>		
General Obligation Bonds and Notes	\$ 2,935,000	1,727,363
Capital Lease Obligations	-	<u>1,097,396</u>
	<u>\$ 2,935,000</u>	<u>2,824,759</u>

During 2016, the City issued \$2,935,000 in refunding debt and refunded various bonds and capital lease obligations in the approximate amount of \$2,824,759.

State statutes impose no debt limit on the amount of general obligation debt a governmental entity may issue.

Additional information on the City of Fairview's debt can be found in the notes to the financial statements section of this report.

### **Economic Factors and Next Year's Budget and Rates**

The City's economy in 2017 is not expected to change from that experienced in 2016, the City will endeavor to maintain essentially the same level of service with no anticipated property tax increase.

Unassigned fund balance of the General Fund amounted to \$1,020,668, no General Fund Balance was required to balance the 2016-17 budget.

### **Requests for Information**

This financial report is designed to provide a general overview of the City of Fairview, Tennessee's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to:

Finance Director and/or City Manager  
City of Fairview, TN

**CITY OF FAIRVIEW, TENNESSEE**

**Statement of Net Position**

**June 30, 2016**

	<u>Governmental</u>	<u>Total</u>
	<u>Activities</u>	
<b>Assets</b>		
Cash and cash equivalents		
Unrestricted	\$ 1,996,636	1,996,636
Total Cash and Cash Equivalents	<u>1,996,636</u>	<u>1,996,636</u>
Receivables:		
Property tax, net of allowance for doubtful accounts	1,766,362	1,766,362
Other governments	619,724	619,724
Total Receivables	<u>2,386,086</u>	<u>2,386,086</u>
Non depreciable capital assets	2,492,600	2,492,600
Depreciable capital assets, net of accumulated depreciation	18,499,884	18,499,884
Net pension asset-TCRS	263,969	263,969
Total Assets	<u>25,639,175</u>	<u>25,639,175</u>
<b>Deferred Outflows of Resources:</b>		
TCRS pension plan	171,329	171,329
Total Deferred Outflows	<u>171,329</u>	<u>171,329</u>
Total Assets and Deferred Outflows	\$ <u>25,810,504</u>	<u>25,810,504</u>
<b>Liabilities</b>		
Liabilities:		
Accounts payable	\$ 72,011	72,011
Accrued liabilities	87,026	87,026
Long-term liabilities:		
Net OPEB obligation payable	4,058	4,058
Due within one year	294,617	294,617
Due in more than one year	2,789,415	2,789,415
Total Liabilities	<u>3,247,128</u>	<u>3,247,129</u>
<b>Deferred Inflow of Resources:</b>		
Unlevied property tax	1,712,400	1,712,400
TCRS pension plan	170,380	170,380
Total Deferred Inflows	<u>1,882,780</u>	<u>1,882,780</u>
<b>Net Position</b>		
Net investment in capital assets	18,023,069	18,023,069
Restricted for:		
Pension asset	263,969	263,969
Public Safety	57,040	57,040
Facilities tax	143,911	143,911
State Street Aid	239,625	239,625
Unrestricted	1,952,982	1,952,982
Total Net Position	<u>20,680,596</u>	<u>20,680,596</u>
Total Liabilities, Deferred Inflow of Resources and Net Position	\$ <u>25,810,504</u>	<u>25,810,505</u>

See accompanying notes to financial statements.



CITY OF FAIRVIEW, TENNESSEE

Statement of Activities

For the Year Ended June 30, 2016

Functions / Programs:					Net (Expenses) Revenue and Changes in Net Position	
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government	
					Governmental Activities	Total
<b>Primary Government:</b>						
General government	\$ 1,400,874	133,426	-	472,688	(794,760)	(794,760)
Public safety	2,577,771	172,808	204,813	-	(2,200,150)	(2,200,150)
Streets	573,964	4,250	237,734	-	(331,980)	(331,980)
State Street Aid	217,567	-	-	-	(217,567)	(217,567)
Financial Administration	164,655	-	-	-	(164,655)	(164,655)
Parks and recreation	255,172	21,221	-	-	(233,951)	(233,951)
Codes Administration	114,331	-	-	-	(114,331)	(114,331)
City Court	117,944	-	-	-	(117,944)	(117,944)
Miscellaneous	129,754	-	-	-	(129,754)	(129,754)
Interest expense on long-term debt	87,129	-	-	-	(87,129)	(87,129)
Total Government Activities	<u>5,639,162</u>	<u>331,705</u>	<u>442,547</u>	<u>472,688</u>	<u>(4,392,221)</u>	<u>(4,392,221)</u>
Total Primary Government	\$ <u>5,639,162</u>	<u>331,705</u>	<u>442,547</u>	<u>472,688</u>	<u>(4,392,221)</u>	<u>(4,392,221)</u>
<b>General Revenues:</b>						
Property taxes					\$ 1,759,763	1,759,763
Sales taxes					1,891,068	1,891,068
Wholesale beer tax					255,494	255,494
Wholesale liquor tax					87,336	87,336
Business tax					102,832	102,832
Facilities tax					63,728	63,728
Cable TV franchise tax					105,123	105,123
Hotel / Motel tax					9,069	9,069
Income tax					31,239	31,239
Beer tax, mixed drink and other					14,008	14,008
Sales tax					618,611	618,611
T.V.A. in lieu of taxes					90,594	90,594
Corporate excise tax					6,744	6,744
Unrestricted investment earnings					6,615	6,615
Miscellaneous					36,782	36,782
Total general revenues					<u>5,079,006</u>	<u>5,079,006</u>
Change in net position					686,785	686,785
Net position - beginning of year, as restated					<u>19,993,811</u>	<u>19,993,811</u>
Net position - end of year					\$ <u>20,680,596</u>	<u>20,680,596</u>

See accompanying notes to financial statements.

**CITY OF FAIRVIEW, TENNESSEE**

**Balance Sheet  
Governmental Funds**

**June 30, 2016**

<b>Assets</b>	<u>General Fund</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
Cash	\$ 1,793,709	202,924	1,996,633
Accounts receivable:			
Property tax	1,769,824	-	1,769,824
Other governments	619,724	-	619,724
Total Receivables	<u>2,389,548</u>	<u>-</u>	<u>2,389,548</u>
Total Assets	\$ <u>4,183,257</u>	<u>202,924</u>	<u>4,386,181</u>
<b>Liabilities</b>			
Accounts payable	\$ 71,984	25	72,009
Accrued liabilities	<u>67,533</u>	<u>1,948</u>	<u>69,481</u>
Total Liabilities	<u>139,517</u>	<u>1,973</u>	<u>141,490</u>
<b>Deferred Inflow of Resources-Unavailable Revenues</b>	<u>1,754,387</u>	<u>-</u>	<u>1,754,387</u>
<b>Fund Equity</b>			
Fund Balance:			
Restricted for:			
Public Safety	-	57,040	57,040
Public Facilities	-	143,911	143,911
State Street Aid	239,625	-	239,625
Committed for:			
Stabilization	266,215	-	266,215
Parks	130,620	-	130,620
School Facilities	624,485	-	624,485
Tree Bank	7,740	-	7,740
Unassigned	<u>1,020,668</u>	<u>-</u>	<u>1,020,668</u>
Total Fund Equity	<u>2,289,353</u>	<u>200,951</u>	<u>2,490,304</u>
Total Liabilities, Deferred Inflows and Fund Equity	\$ <u>4,183,257</u>	<u>202,924</u>	<u>4,386,181</u>

See accompanying notes to financial statements.

**CITY OF FAIRVIEW, TENNESSEE**

**Reconciliation of the Balance Sheet to the Statement of Net Position  
of Governmental Activities**

**June 30, 2016**

<b>Amounts reported for fund balance - total governmental funds</b>		<b>\$ 2,490,304</b>
 <b>Amounts reported for governmental activities in the statement of net position are different because:</b>		
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the governmental funds		
Capital assets		38,098,058
- Less accumulated depreciation		(17,105,574)
 Other long-term assets are not available to pay for current-period expenditures and, therefore, are deferred in the governmental funds		
Property tax		38,526
 Liabilities not due and payable currently and not recorded in the governmental funds		
Bonds Payable	(2,935,000)	
Premium, net of amortization	(34,415)	
Compensated absences	(114,617)	
Accrued interest	(17,545)	(3,101,578)
 Net pension cost		
-		
 Long-term liabilities, including bonds payable are not due and payable in the current period and therefore are not recorded in the funds.		
Net OPEB obligation payable		(4,058)
Net pension asset	263,969	
Deferred inflow of resources-TCRS Plan	339,930	
Deferred outflow of resources-TCRS Plan	<u>(338,981)</u>	
		264,918
 <b>Net position of governmental activities</b>		 <b>\$ <u><u>20,680,596</u></u></b>

See accompanying notes to financial statements.

**CITY OF FAIRVIEW, TENNESSEE**

**Statement of Revenues,  
Expenditures and Changes in Fund Balances**

**All Governmental Fund Types**

**For the Year Ended June 30, 2016**

	General Fund	Other Governmental Funds	Total Governmental Funds
<b>Revenues:</b>			
Taxes	\$ 4,202,339	63,728	4,266,067
Licenses and permits	84,521	-	84,521
Intergovernmental	1,676,431	-	1,676,431
Fines and forfeits	151,895	15,643	167,538
Charges for services	26,491	-	26,491
Miscellaneous	41,520	50,968	92,488
<b>Total Revenues</b>	<u>6,183,197</u>	<u>130,339</u>	<u>6,313,536</u>
<b>Expenditures:</b>			
<b>Current:</b>			
General government	1,199,250	-	1,199,250
Police department	1,393,122	60,765	1,453,887
Fire department	775,774	-	775,774
Streets	214,142	-	214,142
State Street Aid	178,736	-	178,736
Financial administration	162,468	-	162,468
Parks and recreation	275,162	-	275,162
City court	118,872	-	118,872
Codes administration	118,240	-	118,240
Other program costs	-	10,313	10,313
Debt service	3,642,729	-	3,642,729
Capital outlay	168,473	12,488	180,961
<b>Total Expenditures</b>	<u>8,246,968</u>	<u>83,566</u>	<u>8,330,534</u>
<b>Excess (deficiency) of revenues over expenditures</b>	<u>(2,063,771)</u>	<u>46,773</u>	<u>(2,016,998)</u>
<b>Other Financing Sources (Uses)</b>			
Proceeds from Refunding Bonds	2,935,000	-	2,935,000
Premium on bonds	39,332	-	39,332
Proceeds from Grant and Tax Anticipation Notes	618,184	-	618,184
<b>Total Other Financing Sources (Uses)</b>	<u>3,592,516</u>	<u>-</u>	<u>3,592,516</u>
<b>Net Change in Fund Balance</b>	<u>1,528,745</u>	<u>46,773</u>	<u>1,575,518</u>
<b>Fund Balance, Beginning of Year, as Previously Reported</b>	368,042	154,178	522,220
Restatement	392,566	-	392,566
<b>Fund Balance, Beginning of Year, as Restated</b>	<u>760,608</u>	<u>154,178</u>	<u>914,786</u>
<b>Fund Balance, End of Year</b>	\$ <u>2,289,353</u>	<u>200,951</u>	<u>2,490,304</u>

See accompanying notes to financial statements.

**CITY OF FAIRVIEW, TENNESSEE**

**Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balance  
of Governmental Funds to the Statement of Activities**

**For the Year Ended June 30, 2016**

<b>Net change in fund balances-total governmental funds:</b>	\$	<b>1,575,518</b>
 <b>Amounts reported for governmental activities in the statement of net position are different because:</b>		
 Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. Gross sale proceeds are recognized in the Governmental Funds, only net gain (loss) is shown in the Government - Wide statement of activities.		
Acquisition of capital assets	164,642	
Depreciation expense	<u>(1,022,130)</u>	(857,488)
 Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the governmental funds.		
Property tax		13,196
 The issuance of long-term debt provides current financial resources to governmental funds. While the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position.		
Amortization of bond premium	4,917	
Bond premium	-	
Bond costs	<u>(110,241)</u>	(105,324)
 Expenses reported in the statement of activities that do not require the use of current financial resources are not reported as expenditures in the governmental funds		
Increase in net OPEB obligation	(4,058)	
Decrease in compensated absences	49,677	
Decrease in pension expense-TCRS	<u>54,596</u>	<u>100,215</u>
 <b>Change in net position of governmental activities</b>	 \$	 <b><u>726,117</u></b>

See accompanying notes to financial statements.

**CITY OF FAIRVIEW, TENNESSEE**

**Statement of Revenues, Expenditures and  
Changes in Fund Balance - Budget (GAAP Basis) and Actual**

**General Fund**

**For the Year Ended June 30, 2016**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
<b>Taxes:</b>				
Property and utility taxes	\$ 1,714,500	1,714,500	1,695,570	(18,930)
Local option sales tax	1,705,000	1,705,000	1,891,068	186,068
Wholesale beer tax	215,000	215,000	255,494	40,494
Wholesale liquor tax	65,000	65,000	87,336	22,336
Business tax	86,000	86,000	102,832	16,832
Tax penalties and interest	8,000	8,000	4,070	(3,930)
Natural gas franchise fee	60,000	60,000	51,777	(8,223)
Cable TV franchise tax	95,000	95,000	105,123	10,123
Hotel / Motel tax	7,500	7,500	9,069	1,569
<b>Total Taxes</b>	<u>3,956,000</u>	<u>3,956,000</u>	<u>4,202,339</u>	<u>246,339</u>
<b>Licenses and Permits:</b>				
Building permits	5,100	5,100	4,250	(850)
Other fees and permits	64,500	64,500	80,271	15,771
<b>Total Licenses and Permits</b>	<u>69,600</u>	<u>69,600</u>	<u>84,521</u>	<u>14,921</u>
<b>Intergovernmental:</b>				
Income tax	27,057	27,057	31,239	4,182
Beer tax	4,000	4,000	3,770	(230)
Mixed drink tax	10,000	10,000	9,589	(411)
Sales tax	575,000	575,000	618,611	43,611
School facilities tax	120,000	120,000	153,350	33,350
<b>State Street Aid Revenue:</b>				
State motor fuel tax	151,500	151,500	162,948	11,448
Gasoline 3 cent tax	24,300	24,300	26,171	1,871
Gas 1989 tax	45,200	45,200	48,615	3,415
T.V.A. in-lieu of taxes	90,000	90,000	90,594	594
Excise tax	7,500	7,500	6,744	(756)
Telecommunications sales tax	775	775	649	(126)
Appropriations from County	14,400	14,400	14,400	-
Police and fire incentives	23,400	23,400	19,800	(3,600)
Federal and State grants	115,640	330,013	489,951	159,938
<b>Total Intergovernmental</b>	<u>1,208,772</u>	<u>1,423,145</u>	<u>1,676,431</u>	<u>253,286</u>
<b>Fines and Forfeits:</b>				
Fines and costs	156,050	156,050	151,895	(4,155)
<b>Charges for Services:</b>				
Accident reports	8,000	8,000	5,270	(2,730)
Animal control	-	-	-	-
Parks & recreation fees	750	750	2,120	1,370
Special events	4,500	4,500	15,385	10,885
Other fees	3,960	3,960	3,716	(244)
<b>Total Charges for Services</b>	<u>17,210</u>	<u>17,210</u>	<u>26,491</u>	<u>9,281</u>
<b>Miscellaneous Revenues:</b>				
Interest income	552	552	2,497	1,945
Donations	-	2,000	2,000	-
Sale of Capital Assets	-	-	235	235
Other miscellaneous revenue	9,200	17,900	36,788	18,888
<b>Total Miscellaneous Revenue</b>	<u>9,752</u>	<u>20,452</u>	<u>41,520</u>	<u>21,068</u>
<b>Total Revenue</b>	<u>\$ 5,417,384</u>	<u>5,642,457</u>	<u>6,183,197</u>	<u>540,740</u>

Continued next page.

**CITY OF FAIRVIEW, TENNESSEE**  
**Statement of Revenues, Expenditures and**  
**Changes in Fund Balance - Budget (GAAP Basis) and Actual, Continued**  
**General Fund**  
**For the Year Ended June 30, 2016**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Expenditures:</b>				
<b>General Government:</b>				
<b>Current:</b>				
Personnel costs	\$ 162,583	166,173	168,005	(1,832)
Contractual services	242,200	260,185	294,251	(34,066)
Supplies and materials	11,700	11,700	9,737	1,963
Insurance	604,000	607,750	553,451	54,299
Special census	-	45,000	44,500	500
Other projects	80,700	170,700	77,941	92,759
Other - refund of developer bonds	-	-	51,365	(51,365)
Capital outlay	9,000	223,373	87,513	135,860
<b>Total General Government</b>	<b>1,110,183</b>	<b>1,484,881</b>	<b>1,286,763</b>	<b>198,118</b>
<b>Financial Administration</b>				
<b>Current:</b>				
Personnel costs	151,878	154,378	155,396	(1,018)
Contractual services	1,850	2,600	1,895	705
Supplies	6,100	6,100	5,177	923
Other	-	-	-	-
Capital outlay	4,200	4,200	4,699	(499)
<b>Total Financial Administration</b>	<b>164,028</b>	<b>167,278</b>	<b>167,167</b>	<b>111</b>
<b>City Court</b>				
<b>Current:</b>				
Personnel costs	108,948	113,948	114,013	(65)
Contractual services	3,250	3,250	3,150	100
Supplies	1,750	1,750	1,709	41
Other	-	-	-	-
Capital outlay	-	-	-	-
<b>Total City Court</b>	<b>113,948</b>	<b>118,948</b>	<b>118,872</b>	<b>76</b>
<b>Codes Administration</b>				
<b>Current:</b>				
Personnel costs	100,550	100,550	103,452	(2,902)
Contractual services	4,900	4,900	1,187	3,713
Supplies	2,500	2,500	2,339	161
Other	-	-	-	-
Capital outlay	11,500	11,500	11,262	238
<b>Total Codes Administration</b>	<b>119,450</b>	<b>119,450</b>	<b>118,240</b>	<b>1,210</b>
<b>Public Safety:</b>				
<b>Police Department:</b>				
<b>Current:</b>				
Personnel costs	1,163,959	1,161,959	1,169,814	(7,855)
Contractual services	21,270	27,970	24,752	3,218
Operating supplies	68,500	68,500	31,010	37,490
Insurance	2,500	2,500	2,494	6
Other	1,000	1,000	456	544
<b>Fleet maintenance:</b>				
Personnel costs	53,425	53,425	53,816	(391)
Contractual services	15,000	15,000	27,396	(12,396)
Supplies	140,500	107,925	83,384	24,541
Capital outlay	4,500	4,500	1,453	3,047
<b>Total Police Department</b>	<b>1,470,654</b>	<b>1,442,779</b>	<b>1,394,575</b>	<b>48,204</b>

Continued next page.

**CITY OF FAIRVIEW, TENNESSEE**

**Statement of Revenues, Expenditures and  
Changes in Fund Balance - Budget (GAAP Basis) and Actual, Concluded**

**General Fund**

**For the Year Ended June 30, 2016**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Fire Department:</b>				
<b>Current:</b>				
Personnel costs	750,660	750,660	733,721	16,939
Contractual services	26,500	26,500	34,419	(7,919)
Supplies	13,500	13,500	7,634	5,866
Capital outlay	35,750	29,750	35,977	(6,227)
<b>Total Fire Department</b>	<u>826,410</u>	<u>820,410</u>	<u>811,751</u>	<u>8,659</u>
<b>Total Public Safety</b>	<u>2,297,064</u>	<u>2,263,189</u>	<u>2,206,326</u>	<u>56,863</u>
<b>Streets:</b>				
<b>Current:</b>				
Personnel costs	221,943	221,943	207,496	14,447
Contractual services	1,500	1,500	1,211	289
Supplies	5,500	5,500	5,435	65
Capital outlay	-	-	-	-
<b>Total Streets</b>	<u>228,943</u>	<u>228,943</u>	<u>214,142</u>	<u>14,801</u>
<b>State Street Aid</b>				
<b>Current:</b>				
Contractual services	46,500	46,500	44,831	1,669
Supplies	5,000	5,000	511	4,489
Street paving	61,000	158,600	133,394	25,206
Capital outlay-street paving	44,000	44,000	38,831	5,169
<b>Total State Street Aid</b>	<u>156,500</u>	<u>254,100</u>	<u>217,567</u>	<u>36,533</u>
<b>Parks and Recreation:</b>				
<b>Current:</b>				
Personnel costs	\$ 195,827	195,827	191,508	4,319
Contractual services	5,600	52,800	50,193	2,607
Supplies	9,700	10,000	16,402	(6,402)
Spectator events				
Insurance				
Other	-	17,000	17,059	(59)
Capital outlay	700	700	-	700
<b>Total Parks and Recreation</b>	<u>211,827</u>	<u>276,327</u>	<u>275,162</u>	<u>1,165</u>
<b>Debt service:</b>				
Debt service	49,126	49,126	2,933,558	(2,884,432)
Repayment of Tax and Grant Anticipation Notes	(12,395)	618,184	618,184	-
Bond issue costs	-	53,000	90,987	(37,987)
<b>Total Debt service</b>	<u>36,731</u>	<u>720,310</u>	<u>3,642,729</u>	<u>(2,922,419)</u>

Continued on next page



**CITY OF FAIRVIEW, TENNESSEE**

**Statement of Revenues, Expenditures and  
Changes in Fund Balance - Budget (GAAP Basis) and Actual, Concluded**

**General Fund**

**For the Year Ended June 30, 2016**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Total Expenditures	4,438,674	5,633,426	8,246,968	(2,613,542)
Excess (deficiency) of revenues over expenditures	978,710	9,031	(2,063,771)	(2,072,802)
Other Financing Sources (Uses):				
Proceeds from refunding bonds	-	-	2,935,000	2,935,000
Premium on bonds	-	-	39,332	39,332
Proceeds from Tax and Grant Anticipation Notes	-	618,184	618,184	-
Total Other Financing Sources (Uses)	-	618,184	3,592,516	2,974,332
Net Change in Fund Balance	978,710	627,215	1,528,745	901,530
Fund Balance, Beginning of Year, as Previously Reported	368,042	368,042	368,042	-
Restatement	-	-	392,566	392,566
Fund Balance, Beginning of Year, as Restated	368,042	368,042	760,608	392,566
Fund Balance, end of year	\$ 1,346,752	995,257	2,289,353	1,294,096

See accompanying notes to financial statements.

## CITY OF FAIRVIEW, TENNESSEE

### Notes to Financial Statements

June 30, 2016

#### (1) Summary of Significant Accounting Policies

The City of Fairview, Tennessee, was incorporated July 1, 1959, under provisions of the State of Tennessee. The City operates under a City Manager-Commissioner form of government and provides the following services as authorized by its charter and duly passed ordinances: public safety (police, fire and public health), streets, culture, recreations, public improvements, planning and zoning, and general administrative services.

The financial statements of the City of Fairview have been prepared in conformity with Generally Accepted Accounting Principles (GAAP) as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the City's accounting policies are described below.

#### Reporting Entity

The accompanying financial statements present the government and its component units. Component units are entities for which the government is considered to be financially accountable. Component units, although legally separate entities, are required to be presented in the government's financial statements using either a "blended" or "discrete" presentation.

As of June 30, 2016, the City had no component units which were required to be included in these financial statements.

#### Accounting Pronouncements

The financial statements now include government-wide financial statements prepared on the accrual basis of accounting and the economic measurement focus for all funds. The fund financial statements present information for individual major funds rather than by fund type. Nonmajor funds are presented in one column.

#### Government-wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities and changes in net position) report information on all of the nonfiduciary activities of the primary government and its component units. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

# CITY OF FAIRVIEW, TENNESSEE

## Notes to Financial Statements

June 30, 2016

### (1) Summary of Significant Accounting Policies

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment is offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include (i) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and (ii) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported as general revenues.

Separate financial statements are provided for governmental funds and proprietary funds. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

#### Measurement Focus, Basis of Accounting, and Financial Statement

##### Presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund and fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments are recorded only when payment is due.

Property taxes, state shared revenues, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period using the criteria specified in the paragraph above. All other revenue items are considered to be measurable and available only when cash is received by the government.

The government reports the following major governmental fund:

The General Fund is the government's primary operating fund. It is used to account for all financial resources of the general government, except those required to be accounted for in another fund.

The government has no proprietary funds.

**CITY OF FAIRVIEW, TENNESSEE**

Notes to Financial Statements, Continued

June 30, 2016

(1) **Summary of Significant Accounting Policies, (Continued)**

As a general rule the effect of interfund activity has been eliminated from the government-wide financial statements.

Amounts reported as program revenues include (i) charges to customers or applicants for goods, services, or privileges provided, (ii) operating grants and contributions, and (iii) capital grants and contributions. General revenues include all taxes and internally dedicated resources.

**Cash and Cash Equivalents**

Cash and cash equivalents consist primarily of demand deposits with financial institutions and amounts deposited with the State of Tennessee Local Government Investment Pool. In addition, certificates of deposit or direct obligations of the Federal government or its agencies that are owned by a specific fund of the City having a maturity of three months or less when purchased are considered to be cash equivalents. Certificates of deposit and deposits in the investment pool are carried at cost which approximates fair value.

The State of Tennessee Local Government Investment Pool is a component of the State of Tennessee State Pooled Investment Fund that is an external investment pool not registered with the Securities and Exchange Commission. The State Pooled Investment Fund is administered by the State Treasurer and is authorized by state statute to invest funds in accordance with the policy guidelines approved by the Funding Board of the State of Tennessee which exercises oversight Responsibility, including the ability to significantly influence operations, designation of management and accountability for all fiscal matters. The Fund is audited annually by the office of the State Comptroller

**Delinquent Taxes Receivable**

Delinquent taxes receivable have been included in the General Fund balance sheet with offsetting deferred revenue to reflect amounts which were not available at June 30, 2016. Amounts which were available at June 30, 2016 have been recorded as revenue. Property taxes which will be levied October 1, 2016 in the amount of \$1,712,400 have also been recorded as a receivable with offsetting deferred revenue to reflect amounts not available at June 30, 2016.

**Supply Inventory**

Inventory items are considered expenditures/expenses when used (consumption method). Inventories are valued as follows:

Enterprise (Water & Sewer) Fund - Inventory, principally materials, supplies and replacement parts, is valued at the lower of cost (first-in, first-out) or market.

**CITY OF FAIRVIEW, TENNESSEE**

Notes to Financial Statements, Continued

June 30, 2016

**(1) Summary of Significant Accounting Policies, (Continued)**

Interfund Receivables/Payables

During the course of operations, numerous transactions occur between individual funds for goods or services rendered. These receivables and payables are classified as “due from other funds” or “due to other funds” on the balance sheet and are eliminated on the government-wide statements. Transfers of monies between funds generally arise as a result of budget appropriations authorizing funds to be transferred from one fund to another.

Deferred Outflows/Inflows of Resources

In addition to assets and liabilities the statement of financial position will sometimes report separate sections for deferred outflows and inflows of resources. Deferred outflows of resources are presented after total assets. A deferred outflow of resources is a consumption of net position by the City that is applicable to a future reporting period. Deferred inflows of resources are presented after total liabilities. A deferred inflow of resources is an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources until that time.

The City has the following deferred outflows and deferred inflows of resources:

Deferred outflow of resources include the deferred amount on bond refunding. The deferred amount on refunding results from the difference in the carrying value of refunded debt and its reacquisition price and is amortized over the shorter of the life of the refunded or refunding bonds.

Deferred inflows include unavailable revenue, primarily from property taxes assessed but not levied which is reported in the government-wide statement of net position and Fund balance sheet.

Deferred outflows of resources and deferred inflows of resources also include amounts related to the Town’s participation in the TCRS pension plan.

Capital Assets

Capital assets, which include property, plant, and equipment, are reported in the applicable governmental or business-type activities columns in the government systems-wide financial statements. Capital assets are defined by the government as assets with an initial cost of more than \$5,000 and an estimated useful life in excess of three years. All fixed assets are valued at historical cost or estimated historical cost, if actual historical cost is not available. Donated fixed assets are valued at their estimated fair value on the date donated.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized.

Depreciation has been provided over estimated useful lives using the straight-line method.

The estimated useful lives are as follows:

Buildings	25-50 years
Distribution systems	10-50 years
Equipment	5-10 years
Trucks	5-10 years

**CITY OF FAIRVIEW, TENNESSEE**

**Notes to Financial Statements, Continued**

June 30, 2016

**(1) Summary of Significant Accounting Policies, (Continued)**

**Compensated Absences**

The policy of the City permits the accumulation of unused sick leave up to 144 days and employees can carry over a maximum of 5 or 10 days depending upon service.

**Property Tax**

The City's property tax is levied each October 1 on the assessed value listed as of the prior January 1 for all real and personal property located in the City's legal boundaries. All City taxes on real estate are declared to be a lien on such realty from January 1 of the year assessments are made.

Assessed values are established by the State of Tennessee at the following rates of appraised market value:

Public Utility Property	55%
Industrial and Commercial Property	
- Real	40%
- Personal	30%
Farm and Residential Property	25%

Taxes were levied at a rate of \$1.00 per \$100 of assessed valuation for the fiscal year ended June 30, 2016. Payments may be made during the period from October 1 through February 28. Current tax collections of \$1,665,580 for the fiscal year ended June 30, 2016 were approximately 97 % of the tax levy.

**Budgets and Budgetary Accounting**

The City follows these procedures in establishing the budgetary data reflected in the financial statements.

1. The City Manager submits to the Board of Commissioners the proposed operating budget for the fiscal year. The operating budgets for the General and Special Revenue Funds include proposed expenditures and the means of financing them. All appropriations in the current operating budget lapse into fund balance of the respective funds at the end of the fiscal year.
2. The budgets passed on the first reading and each of the following readings, and was adopted by ordinance on the second reading. In no event shall total appropriations for any fund exceed the estimated revenues and fund balance.
3. The amounts in the adopted budgets for each fund constitute its total annual appropriation and no expenditure may be made which will result in the annual appropriation for the fund being exceeded, unless an additional appropriation is made. The Finance Director may transfer appropriations within the same department, other changes in appropriations require board approval. Budgetary control is considered established at the department level.

## CITY OF FAIRVIEW, TENNESSEE

### Notes to Financial Statements, Continued

June 30, 2016

#### (1) Summary of Significant Accounting Policies, (Continued)

##### Budgets and Budgetary Accounting

4. Budgeted amounts shown are those originally adopted by the Mayor and Board of Commissioners. All balances of appropriations in the current operating budgets lapse into the fund balance of the fund from which appropriations were made at the end of the fiscal year.
5. Budgets for the General and Special Revenue Funds are adopted on a basis consistent with accounting principles generally accepted in the United States of America.

##### Government-Wide Equity

In the government-wide financial statements, equity is shown as net position and classified into three components. *Net investment in capital assets*-capital assets, net of accumulated depreciation and outstanding debt obligations attributable to the acquisition, construction or improvement of those assets. *Restricted net position*-net position with constraints placed on use, either by (1) external groups such as creditors, grantors, or laws and regulations of other governments, (2) laws through constitutional provisions or enabling legislation. *Unrestricted net position*-All other net position that does not meet the above classifications.

##### Fund Equity

*Financial Policy*-The City implemented Governmental Accounting Standards Board (GASB) Statement 54 for its governmental funds. As a result, fund balance is reported in the fund financial statements under the following categories. *Nonspendable fund balance* represents amounts that are required to be maintained intact, such as inventories and prepaid expenses. *Restricted fund balance* is that portion of fund balance that can be spent only for the specific purposes stipulated by external resource or through enabling legislation. *Committed fund balance* includes amounts constrained to specific purposes as determined by formal action of the City Board of Commissioners (the Board) using its highest level of decision-making authority (ordinance). Conversely, to rescind or modify a fund balance commitment, action by ordinance of the Board is also required. *Assigned fund balance* amounts are intended to be used by the City for specific purposes but do not meet the criteria to be restricted or committed. Intent may be stipulated by the Board. Appropriations of fund balance to eliminate projected budgetary deficits in the year's budget are presented as assignments of fund balance. *Unassigned fund balance* is the residual classification of the General Fund.

##### **Spending Policy:**

Generally, when costs are incurred for purposes for which both restricted and unrestricted funds are available it is the City's policy to spend the most restricted dollars before less restricted dollars. Similarly, when expenditures are incurred for which committed, assigned or unassigned amounts may be used, committed amounts are first used followed by assigned then unassigned amounts.

##### **Stabilization Fund Balance Policy:**

The Board established a financial stabilization policy for the purpose of providing funds for an urgent event that affects the safety of the general public (e.g. flood, tornado, etc.). The Board must formally acknowledge the occurrence of the urgent event. The minimum level of funding was set at 5% of General Fund expenditures which amounted to \$266,215 and shown as committed fund balance at June 30, 2016. Should the balance fall below the minimum, the Board will develop a plan to replenish it within two years.

**CITY OF FAIRVIEW, TENNESSEE**

Notes to Financial Statements, Continued

June 30, 2016

**(1) Summary of Significant Accounting Policies. (Continued)**

**Unassigned General Fund Balance Policy:**

The City endeavors to limit expenditures to anticipated revenues in order to maintain a balanced budget. The fund balance of the General Fund has been accumulated to provide stability and flexibility to respond to unexpected adversity and/or opportunities. The City's target is to maintain a minimum unassigned fund balance of not less than two month of General Fund expenditures. In the event unassigned general fund balance should ever fall below the minimum level, the City will develop a plan to restore the deficiency within two years.

**(2) Cash and Cash Equivalents**

The City is authorized to invest funds in financial institutions and direct obligations of the Federal Government. During 2016, the City invested in interest bearing checking accounts and the Tennessee Local Government Investment Pool.

**Custodial credit risk** for deposits is the risk that in the event of a bank failure, the City's deposits may not be returned or the City will not be able to recover collateral securities in the possession of an outside party. The City's policy requires that deposits be either (i) secured and collateralized by the institutions at 105% of the value of the deposits placed in the institution, less the amount protected by federal depository insurance or (ii) that deposits be placed in financial institutions that participate in the bank collateral pool administered by the Treasurer of the State of Tennessee. Institutions participating in the collateral pool determine the aggregate balance of their public deposits must be at least 105% of the average daily balance of public deposits held. Investments with the Tennessee Local Government Investment Pool are not categorized as to custodial credit risk. . As of June 30, 2016, all cash and investment funds of the City were adequately secured by collateral as required by statutes of the State of Tennessee.

**Interest rate risk** is the risk that changes in interest rates will adversely affect the fair value of an investment. Investments held for longer periods are subject to increased risk of adverse interest rate changes. City policy provides that to the extent practicable, investments are matched with anticipated cash flows. Typically certificates of deposit are issued for periods less than one year and investments in the Local Government Investment Pool are available daily.

**(3) Accounts Receivable**

Accounts receivable at June 30, 2016, consisted of the following:

<u>Fund</u>	<u>General Fund</u>	<u>Special Revenue Funds</u>	<u>Combined Total</u>
Property taxes:			
Delinquent	\$ 57,424	-	57,424
2016 Levy-Unavailable	1,712,400	-	1,712,400
Other governments:			
State shared	537,610	-	537,610
Grants	82,114	-	82,114
Less: allowance for doubtful accounts	<u>(3,462)</u>	<u>-</u>	<u>(3,462)</u>
<b>Total</b>	<b>\$ <u>2,386,086</u></b>	<b><u>-</u></b>	<b><u>2,386,086</u></b>



**CITY OF FAIRVIEW, TENNESSEE**

Notes to Financial Statements, Continued

June 30, 2016

(4) **Capital Assets**

**Governmental Activities:**

A summary of changes in capital assets as presented in the governmental activities column of the government-wide financial statements is as follows:

	<u>Balance</u> <u>July 1, 2015</u>	<u>Transfers/ Additions</u>	<u>Transfers/ Deletions</u>	<u>Balance</u> <u>June 30, 2016</u>
<b><u>Capital Asset - Cost</u></b>				
Non depreciable capital assets:				
Land and Land Improvements	2,492,600	-	-	2,492,600
Construction in progress	-	-	-	-
	<u>2,492,600</u>	<u>-</u>	<u>-</u>	<u>2,492,600</u>
Depreciable capital assets:				
Building and Improvements	4,236,375	41,102	-	4,277,477
Equipment	3,873,464	46,539	-	3,920,003
Infrastructure	27,330,978	77,000	-	27,407,978
<b>Total depreciable capital assets</b>	<u>35,440,817</u>	<u>164,641</u>	<u>-</u>	<u>35,605,458</u>
<b>Total capital assets</b>	<u>\$ 37,933,417</u>	<u>164,641</u>	<u>-</u>	<u>38,098,058</u>
	<u>Balance</u> <u>July 1, 2015</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>June 30, 2016</u>
<b><u>Accumulated Depreciation</u></b>				
Buildings and improvements	\$ 935,972	110,863	-	1,046,835
Equipment	2,008,799	454,467	-	2,463,266
Infrastructure	13,138,673	456,800	-	13,595,473
<b>Total Accumulated Depreciation</b>	<u>16,083,444</u>	<u>1,022,130</u>	<u>-</u>	<u>17,105,574</u>
<b>Total Depreciable Capital Assets, Net of Depreciation</b>	<u>\$ 19,357,373</u>			<u>18,499,884</u>
<b>Total Capital Assets, Net of Depreciation</b>	<u>\$ 21,849,973</u>			<u>20,992,484</u>

Depreciation expense was charged to functions/programs of the primary government as follows:

General Government	\$ 211,682
Public Safety	353,430
Highways and Streets	456,800
Parks and Recreation	<u>218</u>
<b>Total</b>	<u>\$ 1,022,130</u>

**CITY OF FAIRVIEW, TENNESSEE**

Notes to Financial Statements, Continued

June 30, 2016

**(5) Long-Term Debt and Other Obligations Payable**

Governmental Activities:

The following schedule reflects the changes in long-term debt, as shown in the General Long-Term Debt Account Group during 2016.

	<u>Interest Rates</u>	<u>Balance July 1, 2015</u>	<u>Additions</u>	<u>Retirements</u>	<u>Balance June 30, 2016</u>	<u>Due Within One Year</u>
General Obligation Capital Outlay Notes Series 2011	3.93 %	\$ 434,000	-	(434,000)	-	-
Tennessee Pooled Loan Program, Series 2001	Variable	1,204,000	-	(1,204,000)	-	-
General Obligation Capital Outlay Note, Series 2012	3.85%	89,363	-	(89,363)	-	-
General Obligation Refunding Bonds, Series 2015	2-3%	-	<u>2,935,000</u>	-	<u>2,935,000</u>	<u>180,000</u>
		<u>1,727,363</u>	<u>2,935,000</u>	<u>(1,727,363)</u>	<u>2,935,000</u>	<u>180,000</u>
Add premium		-	<u>39,332</u>	<u>(4,917)</u>	<u>34,415</u>	-
Total general obligation bonds		<u>1,727,363</u>	<u>2,974,332</u>	<u>(1,732,280)</u>	<u>2,969,415</u>	<u>180,000</u>
Capital Lease Obligations:						
Spartan Rescue Truck	3.34%	187,851	-	(187,851)	-	-
Fire Truck	2.30%	500,738	-	(500,738)	-	-
Police SUVs	2.43%	408,807	-	(408,807)	-	-
		<u>1,097,396</u>	-	<u>(1,097,396)</u>	-	-
Compensated Absences		164,294	-	(49,677)	114,617	114,617
<b>Total</b>		<u>\$2,989,053</u>	<u>2,974,332</u>	<u>(2,879,353)</u>	<u>3,084,032</u>	<u>294,617</u>

Debt service requirements to maturity for the Governmental Activities debt, as of June 30, 2016, are as follows:

<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>
2017	\$ 180,000	70,181
2018	185,000	66,581
2019	190,000	62,881
2020	195,000	59,081
2021	195,000	55,181
2022-2026	1,050,000	211,987
2027-2030	<u>940,000</u>	<u>69,839</u>
<b>Total</b>	<b>\$ 2,935,000</b>	<b>595,731</b>

General obligation bonds and capital outlay notes are secured by the City, which is obligated to levy ad valorem taxes to the extent necessary to service these bonds.

## CITY OF FAIRVIEW, TENNESSEE

### Notes to Financial Statements, Continued

June 30, 2016

#### (5) Long-Term Debt and Other Obligations Payable (Continued)

##### Refunding

In 2016, the City issued \$2,935,000 General Obligation Refunding Bonds, Series 2015 with interest at 2 to 3% to currently refund \$1,204,000 in outstanding Tennessee Municipal Bond Fund (TMBF) General Obligation Bond, Series 2001, \$434,000 General Obligation Capital Outlay Notes, Series 2011, \$89,363 in General Obligation Capital Outlay Note, Series 2012 and three equipment Lease Obligations in the aggregate amount of \$1,097,396. As a result of the refunding, the City had a net present value savings (loss) ranging from approximately \$(125,685) to \$84,031 assuming a rate of interest of 2% and 5%, respectively on the TMBF variable rate. The refunding was undertaken primarily to obtain reduced debt service payments as well as lower overall interest rates. Issuance of the Refunding Bonds, Series 2015 resulted in a premium of \$39,332 which is being amortized over an eight-year period, the term of the refunded debt and issue costs of \$90,987. The Refunding also resulted in refunded interest of \$37,689 and a premium to call payment of \$20,897.

#### (6) Pension Plan

*Plan description.* Employees of City of Fairview are provided a defined benefit pension plan through the Public Employee Retirement Plan, an agent multiple-employer pension plan administered by the TCRS. The TCRS was created by state statute under Tennessee Code Annotated Title 8, Chapters 34-37. The TCRS Board of Trustees is responsible for the proper operation and administration of the TCRS. The Tennessee Treasury Department, an agency in the legislative branch of state government, administers the plans of the TCRS. The TCRS issues a publically available financial report that can be obtained at [www.treasury.tn.gov/tcrs](http://www.treasury.tn.gov/tcrs).

*Benefits provided.* Tennessee Code Annotated Title 8, Chapters 34-37 establishes the benefit terms and can be amended only by the Tennessee General Assembly. The chief legislative body may adopt the benefit terms permitted by statute. Members are eligible to retire with an unreduced benefit at age 60 with 5 years of service credit or after 30 years of service credit regardless of age. Benefits are determined by a formula using the member's highest five consecutive year average compensation and the member's years of service credit. Reduced benefits for early retirement are available at age 55 and vested. Members vest with five years of service credit. Service related disability benefits are provided regardless of length of service. Five years of service is required for non-service related disability eligibility. The service related and non-service related disability benefits are determined in the same manner as a service retirement benefit but are reduced 10 percent and include projected service credits. A variety of death benefits are available under various eligibility criteria.

CITY OF FAIRVIEW, TENNESSEE

Notes to Financial Statements, Continued

June 30, 2016

(6) **Pension Plan UPDATE**

**General Information about the Pension Plan (Continued)**

*Employees covered by benefit terms.* At the measurement date of June 30, 2015, the following employees were covered by the benefit terms:

Inactive employees / beneficiaries currently receiving benefits	15
Inactive employees entitled to but not yet receiving benefits	54
Active employees	<u>49</u>
	<u>118</u>

*Contributions.* Contributions by the City are established in the statutes governing the TCRS and may only be changed by the Tennessee General Assembly. Employees contribute 0 percent of salary. City of Fairview makes employer contributions at the rate set by the Board of Trustees as determined by an actuarial valuation. For the year ended June 30, 2015, the actuarially determined contribution (ADC) for Fairview was \$168,877 based on a rate of 7.40% of covered payroll. By law, employer contributions are required to be paid. The TCRS may intercept Fairview's state shared taxes if required employer contributions are not remitted. The employer's (ADC) and member contributions are expected to finance the costs of benefits earned by members during the year, the cost of administration, as well as an amortized portion of any unfunded liability.

**Net Pension Liability (Asset)**

Fairview's net pension liability (asset) as presented in the accompanying financial statements was measured as of June 30, 2015, and the total pension liability used to calculate net pension liability (asset) was determined by an actuarial valuation as of that date.

*Actuarial assumptions.* The total pension liability as of June 30, 2015 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	3.0 percent
Salary increases	Graded salary ranges from 8.97 to 3.71 percent based on age, including inflation, averaging 4.25 percent
Investment rate of return	7.5 percent, net of pension plan investment expenses, including inflation

Mortality rates were based on actual experience from the June 30, 2012 actuarial experience study adjusted for some of the expected future improvement in life expectancy.

The actuarial assumptions used in the June 30, 2015 actuarial valuation were based on the results of an actuarial experience study performed for the period July 1, 2008 through June 30, 2012. The demographic assumptions were adjusted to more closely reflect actual and expected future experience.

The long-term expected rate of return on pension plan investments was established by the TCRS Board of Trustees in conjunction with the June 30, 2012 actuarial experience study by considering the following three techniques: (1) the 25-year historical return of the TCRS at June 30, 2012, (2) the historical market returns of asset classes from 1926 to 2012 using the TCRS investment policy asset allocation, and (3) capital market projections that were utilized as a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. Four sources of capital market projections were blended and utilized in the third technique. The blended capital market projection established the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding inflation of 3 percent. The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

**CITY OF FAIRVIEW, TENNESSEE**

Notes to Financial Statements, Continued

June 30, 2016

(6) **Pension Plan**

**General Information about the Pension Plan (Continued)**

<u>Asset Class</u>	<u>Long-Term Expected Real Rate of Return</u>	<u>Target Allocation</u>
U.S. equity	6.46%	33%
Developed market international equity	6.26%	17%
Emerging market international equity	6.40%	5%
Private equity and strategic lending	4.61%	8%
U.S. fixed income	0.98%	29%
Real estate	4.73%	7%
Short-term securities	0.00%	<u>1%</u>
		<u>100%</u>

The long-term expected rate of return on pension plan investments was established by the TCRS Board of Trustees as 7.5 percent based on a blending of the three factors described above.

*Discount rate.* The discount rate used to measure the total pension liability was 7.5 percent. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the current rate and that contributions from City of Fairview will be made at the actuarially determined contribution rate pursuant to an actuarial valuation in accordance with the funding policy of the TCRS Board of Trustees and as required to be paid by state statute. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make projected future benefit payments of current active and inactive members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

**Changes in the Net Pension Liability (Asset)**

	<u>Total Pension Liability</u>	<u>Increase (Decrease) Plan Fiduciary Net Position</u>	<u>Net Pension Liability (Asset)</u>
	(a)	(b)	(a) - (b)
<b>Balance at 6/30/14</b>	\$4,431,209	4,756,837	(325,628)
<b>Changes for the year:</b>			
Service cost	170,397	-	170,397
Interest	339,727	-	339,727
Differences between expected and actual experience	(135,439)	-	(135,439)
Contributions -- Employer	-	168,877	(168,877)
Contributions-- Employees	-	-	-
Net investment income	-	146,850	(146,850)
Benefit payments, including refunds of employee contributions	(143,821)	(143,821)	-
Administrative expense	-	(2,701)	2,701
<b>Net changes</b>	<u>230,864</u>	<u>169,205</u>	<u>61,659</u>
<b>Balance at 6/30/15</b>	<u>\$ 4,662,073</u>	<u>4,926,042</u>	<u>(263,969)</u>

**CITY OF FAIRVIEW, TENNESSEE**

Notes to Financial Statements, Continued

June 30, 2016

**(6) Pension Plan**

**General Information about the Pension Plan (Continued)**

*Sensitivity of the net pension liability (asset) to changes in the discount rate.* The following presents the net pension liability (asset) of City of Fairview calculated using the discount rate of 7.5 percent, as well as what the net pension liability (asset) would be if it were calculated using a discount rate that is 1-percentage-point lower (6.5 percent) or 1-percentage-point higher (8.5 percent) than the current rate:

	<u>1% Decrease</u> <u>(6.5%)</u>	<u>Current</u> <u>Discount Rate</u> <u>(7.5%)</u>	<u>1% Increase</u> <u>(8.5%)</u>
City of Fairview's net Pension liability (asset)	\$ <u>450,503</u>	<u>(263,969)</u>	<u>(850,915)</u>

**Pension Expense (Income) and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions**

*Pension expense.* For the year ended June 30, 2016, City of Fairview recognized pension expense of \$110,354.

*Deferred outflows of resources and deferred inflows of resources.* For the year ended June 30, 2016, City of Fairview reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred</u> <u>Outflows of</u> <u>Resources</u>	<u>Deferred</u> <u>Inflows of</u> <u>Resources</u>
Differences between expected and actual experience	\$ 6,244	120,390
Net difference between projected and actual earning on pension plan investments	168,601	218,591
Contributions subsequent to the measurement date of June 30, 2015	<u>165,085</u>	<u>-</u>
Total	\$ <u>339,930</u>	<u>338,981</u>

The amount shown above for "Contribution subsequent to the measurement date of June 30, 2015," will be recognized as a reduction (increase) to net pension liability (asset) in the following measurement period.

**CITY OF FAIRVIEW, TENNESSEE**

Notes to Financial Statements, Continued

June 30, 2016

**(6) Pension Plan**

Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30:		
2017	\$	(44,870)
2018		(44,870)
2019		(44,870)
2020		27,993
2021		(14,157)
Thereafter		(43,363)

In the table shown above, positive amounts will increase pension expense while negative amounts will decrease pension expense.

**Payable to the Pension Plan**

At June 30, 2016, the City reported a payable of \$165,085 for the outstanding amount of contributions to the pension plan required at the year ended June 30, 2016.

**(7) Other Post-employment Benefit (OPEB) Plan**

**Benefits Provided**

The City provides medical benefits to eligible retirees until they reach the Medicare eligibility age. The City pays 50% of the eligible retiree and 50% of the eligible spouse, if applicable coverage. The retiree pays the portion of the premium not paid by the City. All active employees who retire directly from the City and meet the eligibility criteria may participate.

The Medicare Prescription Drug, Improvement and Modernization Act of 2003 was enacted on December 8, 2003. As a result of this legislation, employer providing drug coverage to Medicare eligible members, that is, at least actuarially equivalent to the standard benefit provided by Medicare, will be eligible to receive a subsidy. GASB has taken the position that any federal subsidy received should be reported as revenue to the plan sponsor and not used as an offset to the GASB 45 liabilities. The following information is prepared on that basis.

**Eligibility**

Retirement at age 60 with 15 or more years of service or at age 55 with 25 years or more of service. A spouse of a retiree is eligible for subsidized coverage if covered at least 5 continuous years prior to retirement.

**Membership**

The number of participants at June 30, 2016, was as follows:

	<u>Employee</u>	<u>Dependents</u>
Active	17	35
Retired	-	-
Total	17	35

**CITY OF FAIRVIEW, TENNESSEE**

Notes to Financial Statements, Continued

June 30, 2016

**(7) Other Post-Employment Benefit Plan (Continued)**

Funding Policy

The City funds postemployment health care benefits on a pay-as-you-go basis. The City has not established an Other Employment Benefits Trust Fund in order to accumulate and invest assets necessary to pay for the accumulated liability and related claims.

<u>Annual Required Contribution/Net OPEB Obligation</u>	<u>2016</u>
Service cost	\$ 2,858
Unfunded actuarial accrued liability amortization	<u>1,200</u>
Annual Required Contribution (ARC)	4,058
Net OPEB Contributions	-
Net OPEB Obligation, June 30, 2016	<u>\$ 4,058</u>

The funded status of the plan as of the most recent actuarial valuation was as follows:

Actuarial Valuation Date	Actuarial Value of Assets	Actuarial Accrued Liability (AAL)	Unfunded AAL (UAAL)	Funded Ratio	Covered Payroll	UAAL as Percentage Covered Payroll
7/01/15	\$ 0	\$20,154	\$20,154	0%	\$1,971,268	1.02%

Actuarial Methods and Assumptions

Valuation Date	July 1, 2015
Actuarial Method	Projected Unit Cost Method.
Service Cost	Determined for each employee as the Actuarial Present Value of Benefits allocated to the valuation year in the incremental portion of the total projected benefit earned during the year in accordance with the plan's benefit formula. This allocation is based on each individual's service between date of hire and date of expected termination.
Accumulated Post-retirement Benefit Obligation	The Actuarial Present Value of Benefits allocated to all periods prior to the valuation year.
Discount Rate	4% (1% real rate of return plus 3% inflation)



**CITY OF FAIRVIEW, TENNESSEE**

Notes to Financial Statements, Continued

June 30, 2016

**(7) Other Post-Employment Benefit Plan (Continued)**

**Actuarial Methods and Assumptions**

Average Per Capita Cost	Determined as of July 1, 2015																								
	<table border="0"> <thead> <tr> <th><u>Age</u></th> <th><u>Method</u></th> <th><u>Age</u></th> <th><u>Method</u></th> </tr> </thead> <tbody> <tr> <td>55</td> <td>\$6,519</td> <td>60</td> <td>7,557</td> </tr> <tr> <td>56</td> <td>6,714</td> <td>61</td> <td>7,784</td> </tr> <tr> <td>57</td> <td>6,916</td> <td>62</td> <td>8,017</td> </tr> <tr> <td>58</td> <td>7,123</td> <td>63</td> <td>8,258</td> </tr> <tr> <td>59</td> <td>7,337</td> <td>64</td> <td>8,505</td> </tr> </tbody> </table>	<u>Age</u>	<u>Method</u>	<u>Age</u>	<u>Method</u>	55	\$6,519	60	7,557	56	6,714	61	7,784	57	6,916	62	8,017	58	7,123	63	8,258	59	7,337	64	8,505
<u>Age</u>	<u>Method</u>	<u>Age</u>	<u>Method</u>																						
55	\$6,519	60	7,557																						
56	6,714	61	7,784																						
57	6,916	62	8,017																						
58	7,123	63	8,258																						
59	7,337	64	8,505																						
Health Care Cost Trend	Level 5.50%																								
Mortality	RP-2014 Total with Projection MP-2015 Fully Generational.																								
Turnover	Rates Varying by age/sex. Sample male rates: <table border="0"> <tr> <td>Age 20</td> <td>Age 35</td> <td>Age 50</td> </tr> <tr> <td>15.70%</td> <td>5.80%</td> <td>1.90%</td> </tr> </table>	Age 20	Age 35	Age 50	15.70%	5.80%	1.90%																		
Age 20	Age 35	Age 50																							
15.70%	5.80%	1.90%																							
Disability	None assumed.																								
Payroll Increase Rate	3.00%																								
Retirement Rates	Rates vary by age with an average retirement age of 62. Based on TCRS retirement rates.																								
Retirement Contributions	The same contribution requirement for active participants is applicable to retirees. These contributions are based on plan type and coverage tier elected.																								
Data Assumptions:	Spouses are assumed to be equal age, 50% married																								
<i>Age Differential/%Married</i>	100% of all retirees who have healthcare coverage will continue with the same coverage. 20% of all actives who currently have individual healthcare coverage will continue with individual coverage upon retirement. For those with family coverage 20% will elect to continue coverage with 10% electing to continue with spouse coverage and the remainder will elect individual coverage.																								
<i>Coverage</i>	Unfunded Actuarial Accrued Liability – 30 Years.																								
Amortization Period																									

**CITY OF FAIRVIEW, TENNESSEE**

Notes to Financial Statements, Continued

June 30, 2016

**(8) Commitments and Contingencies**

**Litigation:**

The City is defendant in various lawsuits. Although the ultimate outcome of these lawsuits is not presently determinable, the City's attorney is of the opinion that the resolution of these matters will not have a material adverse effect on the financial condition of the City.

**Grants:**

Amounts received from Grantor agencies are subject to audit and adjustment by Grantor agencies, principally the Federal government. Any disallowed claims including amounts already collected, could become a liability of the applicable fund.

**(9) Risk Management**

The City of Fairview is exposed to various risks to general liability and property and casualty losses. The City deemed it was more economically feasible to participate in a public entity risk pool as opposed to purchasing commercial insurance for general liability, property and casualty coverage and workers' compensation. The City participates in the TML Insurance Pool which is a public entity risk pool established by the Tennessee Municipal League, an association of member Cities. The City pays an annual premium to the TML for its general liability, property and casualty insurance and workers' compensation coverage. The creation of the pool provides for it to be self-sustaining through member premiums. The Pool reinsures through commercial insurance companies for claims in excess of \$130,000 for each insured event. Settled claims from these losses have not exceeded insurance coverage in any of the past three fiscal years.

**(10) Restatement**

During 2016, the City commenced accounting for local sales tax revenues in accordance with Governmental Accounting Standards Board (GASB) Statement Number 33, "Accounting and Financial Reporting of Nonexchange Transactions" and Statement Number 36 "Recipient Reporting for Certain Shared Nonexchange Revenues". Generally, provisions of these Statements require that assets (accounts receivable) be recognized in the period in which the tax is imposed and there is an enforceable legal claim to the asset, under the modified accrual basis of accounting the resources must also be available to result in revenue. As a result of adopting provisions of the above GASB Statements, accounts receivable of the General Fund now contain amounts received from the County for local option sales tax during July and August, 2016. In prior years, the City had recognized local option sales tax revenue when received. Further, as a result of adopting the provisions of Statement 33 and 36, fund balance of the General Fund at July 1, 2015 has been increased in the amount of \$208,772. For 2016, there was no significant effect on revenues of the General Fund.

Also, in 2016, the City determined that Compensated absences had been presented as a current liability in the General Fund even though the liability was normally not expected to be liquidated with expendable available financial resource of the Fund.

**CITY OF FAIRVIEW, TENNESSEE**

Notes to Financial Statements, Continued

June 30, 2016

**(10) Restatement**

Accordingly, effective July 1, 2015, the liability for compensated absences of \$183,794 was removed from the General Fund and presented in the General Long-Term debt Account Group.

As a result of the above matters, the following restatements were made to net position at July 1, 2015

	<u>Statement of Activities</u> Governmental <u>Activities</u>	General <u>Fund</u>
Net Position, As Previously Reported	\$ 19,785,039	368,042
Restatement for:		
GASB 33&36	208,772	208,772
Accrued Absences	<u>-</u>	<u>183,794</u>
Net Position, As Restated	\$ <u>19,993,811</u>	<u>760,608</u>

## Required Supplementary Information

**CITY OF FAIRVIEW, TENNESSEE**

**Schedule of Changes in the Net Pension Liability (Asset) and Related Ratios  
Based on Participation in the Public Employee Pension Plan of TCRS**

**Fiscal Year Ending June 30,**

	<b>2014</b>	<b>2015</b>
<b>Total pension liability</b>		
Service cost	\$ 169,875	170,397
Interest	313,189	339,727
Differences between actual and expected experience	8,028	(135,439)
Benefit payments, including refunds of employee contributions	(131,702)	(143,821)
Net change in total pension liability	359,390	230,864
Total pension liability, beginning of year	4,071,819	4,431,209
Total pension liability, ending of year (a)	\$ <u>4,431,209</u>	<u>4,662,073</u>
 <b>Plan fiduciary net position</b>		
Contributions, employer	\$ 250,211	168,877
Contributions, employee	-	-
Net investment income	666,704	146,850
Benefit payments, including refunds of employee contributions	(131,702)	(143,821)
Administrative expenses	(1,892)	(2,701)
Net change in plan fiduciary net position	783,321	169,205
Plan fiduciary net position, beginning of year	3,973,516	4,756,837
Plan fiduciary net position, ending of year (b)	\$ <u>4,756,837</u>	<u>4,926,042</u>
 <b>Net Pension Liability (asset) ending of year (a)-(b)</b>	\$ <u>(325,628)</u>	<u>(263,969)</u>
 <b>Plan fiduciary net position, as a percentage of total pension liability</b>	107.35%	105.66%
 <b>Covered-employee payroll</b>	\$ 2,134,899	2,282,120
 <b>Net pension liability (asset) as a percentage of covered-employee payroll</b>	-15.25%	-11.57%

This is a 10-year schedule; however, the information in this schedule is not required to be presented retroactively. Years will be added to this schedule in future fiscal years until 10 years of information is available

**CITY OF FAIRVIEW, TENNESSEE**

**Schedule of Contributions Based on Participation in the  
Public Employees Pension Plan of TCRS**

**Fiscal Year Ending June 30,**

	<u>2014</u>	<u>2015</u>	<u>2016</u>
Actuarially determined contribution	\$ 250,211	168,877	165,085
Contributions in relation to the actuarially determined contribution	<u>(250,211)</u>	<u>(168,877)</u>	<u>(165,085)</u>
Contribution deficiency (excess)	\$ <u>-</u>	<u>-</u>	<u>-</u>
 Covered-employee payroll	 \$ 2,134,899	 2,282,120	 2,233,892
Contributions as a percentage of covered employee payroll	11.72%	7.40%	7.39%

This is a 10-year schedule; however, the information in this schedule is not required to be presented retroactively. Years will be added to this schedule in future fiscal years until 10 years of information is available

**CITY OF FAIRVIEW, TENNESSEE**

**Notes to Required Supplemental Information**

**For the Year Ended June 30, 2016**

*Valuation date:* Actuarially determined contribution rates for 2015 were calculated based on the July 1, 2013 actuarial valuation.

*Methods and assumptions used to determine the contribution rates:*

Actuarial cost method	Frozen initial liability
Amortization method	Level dollar, closed (not to exceed 20 years)
Remaining amortization period	1 year
Asset valuation	10-year smoothed within a 20 percent corridor to market value
Inflation	3.0 percent
Salary increases	Graded salary ranges from 8.97 to 3.71 percent based on age, including inflation.
Investment Rate of Return	7.5 percent, net of investment expense, including inflation
Retirement age	Pattern of retirement determined by experience study
Mortality	Customized table based on actual experience including an adjustment for some anticipated improvement

## Combining and Individual Nonmajor Fund Financial Statements



**CITY OF FAIRVIEW, TENNESSEE**

**Combining Balance Sheet**

**Non Major Governmental Funds**

**June 30, 2016**

	<u>Special Revenue Funds</u>		<u>Total</u>
	<u>Drug</u>	<u>Facilities Tax</u>	<u>Nonmajor</u>
	<u>Fund</u>	<u>Fund</u>	<u>Government</u>
			<u>Funds</u>
<u>Assets</u>			
Cash and cash investments	\$ 59,013	143,911	202,924
 Total Assets	 \$ <u>59,013</u>	 <u>143,911</u>	 <u>202,924</u>
 <u>Liabilities and Fund Balance</u>			
Liabilities:			
Accounts payable	\$ 25	-	25
Accrued costs	1,948	-	1,948
 Total Liabilities	 <u>1,973</u>	 <u>-</u>	 <u>1,973</u>
 Fund balance:			
Restricted for:			
Public Safety	57,040	-	57,040
Public Facilities	-	143,911	143,911
Total Fund Balance	<u>57,040</u>	<u>143,911</u>	<u>200,951</u>
 Total Liabilities and Fund Balance	 \$ <u>59,013</u>	 <u>143,911</u>	 <u>202,924</u>

**CITY OF FAIRVIEW, TENNESSEE**

**Combining Statement of Revenues, Expenditures  
and Changes in Fund Balances**

**Non Major Governmental Funds**

**For the Year Ended June 30, 2016**

	<u>Special Revenue Funds</u>		Total
	<u>Drug</u>	<u>Facilities Tax</u>	Nonmajor
	<u>Fund</u>	<u>Fund</u>	<u>Funds</u>
Revenues:			
Taxes:			
Facilities tax		63,728	63,728
Fines and Forfeits:			
Drug related fines	15,643		15,643
Miscellaneous:			
Interest	48		48
Other income	50,920		50,920
Total Revenues	<u>66,611</u>	<u>63,728</u>	<u>130,339</u>
Expenditures:			
Current:			
Drug fund operations:			
Personnel	48,254	-	48,254
Contractual services	1,751	-	1,751
Supplies	2,180	-	2,180
Other	8,580	-	8,580
Program expenses		10,313	10,313
Capital outlay	12,488	-	12,488
Total Expenditures	<u>73,253</u>	<u>10,313</u>	<u>83,566</u>
Excess (deficiency) of revenues over expenditures	(6,642)	53,415	46,773
Fund Balance, beginning of year	<u>63,682</u>	<u>90,496</u>	<u>154,178</u>
Fund Balance, end of year	<u>\$ 57,040</u>	<u>143,911</u>	<u>200,951</u>

**CITY OF FAIRVIEW, TENNESSEE**

**Schedule of Revenues, Expenditures and  
Changes in Fund Balance**

**Drug Fund**

**For the Year Ended June 30, 2016**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	Variance:
	<u>Original</u>	<u>Final</u>		Favorable (Unfavorable)
Revenues:				
Fines and forfeits:				
Drug-related fines	\$ 12,000	12,000	15,643	3,643
Miscellaneous income				
Other income	<u>36,030</u>	<u>36,030</u>	<u>50,968</u>	<u>14,938</u>
Total revenues	<u>48,030</u>	<u>48,030</u>	<u>66,611</u>	<u>18,581</u>
Expenditures:				
Current:				
Personnel	41,663	48,163	48,254	(91)
Contractual services	1,000	2,500	1,751	749
Supplies	3,500	3,500	2,180	1,320
Other	5,000	5,000	8,580	(3,580)
Capital outlay	<u>10,000</u>	<u>20,000</u>	<u>12,488</u>	<u>7,512</u>
Total expenditures	<u>61,163</u>	<u>79,163</u>	<u>73,253</u>	<u>5,910</u>
Excess (deficiency) of revenues over expenditures and other sources (uses)	(13,133)	(31,133)	(6,642)	24,491
Fund Balance, beginning of year	<u>63,682</u>	<u>63,682</u>	<u>63,682</u>	-
Fund Balance, end of year	<u>\$ 50,549</u>	<u>32,549</u>	<u>57,040</u>	<u>24,491</u>

**CITY OF FAIRVIEW, TENNESSEE**

**Schedule of Revenues, Expenditures and  
Changes in Fund Balance**

**Facilities Tax Fund**

**For the Year Ended June 30, 2016**

	Budgeted Amounts		Actual Amounts	Variance Favorable (Unfavorable)
	Original	Final		
Revenues:				
Taxes:				
Facilities tax	\$ 120,012	120,012	63,728	(56,284)
Total revenues	<u>120,012</u>	<u>120,012</u>	<u>63,728</u>	<u>(56,284)</u>
Expenditures:				
Current:				
Services	16,000	16,000	10,313	5,687
Total expenditures	<u>16,000</u>	<u>16,000</u>	<u>10,313</u>	<u>5,687</u>
Excess (deficiency) of revenues over expenditures	104,012	104,012	53,415	(50,597)
Other Financing Sources (Uses):				
Transfer from (to) other Funds	-	-	-	-
Excess (deficiency) of revenues over expenditures and other sources (uses)	104,012	104,012	53,415	(50,597)
Fund Balance, beginning of year	<u>90,496</u>	<u>90,496</u>	<u>90,496</u>	<u>-</u>
Fund Balance, end of year	\$ <u>194,508</u>	<u>194,508</u>	<u>143,911</u>	<u>(50,597)</u>

## FINANCIAL SCHEDULES

**CITY OF FAIRVIEW, TENNESSEE**

**Schedule of Capital Assets Used in the Operation of Governmental Funds-  
by Asset Type**

**For the Year Ended June 30, 2016**

Capital Asset Type:	Cost / Estimated Cost			Balance June 30, 2016
	Balance June 30, 2015	Additions	Transfers/ Disposals	
Land and land improvements	\$ 2,492,600	-	-	2,492,600
Buildings and improvements	4,236,375	41,102	-	4,277,477
Machinery and equipment	3,873,464	46,539	-	3,920,003
Infrastructure	27,330,978	77,000	-	27,407,978
<b>Total</b>	<b>\$ 37,933,417</b>	<b>164,641</b>	<b>-</b>	<b>38,098,058</b>

Capital Asset Type:	Accumulated Depreciation			Balance June 30, 2015
	Balance June 30, 2015	Additions	Transfers/ Disposals	
Buildings	\$ 935,972	110,863	-	1,046,835
Machinery and equipment	2,008,799	454,467	-	2,463,266
Infrastructure	13,138,673	456,800	-	13,595,473
<b>Total</b>	<b>\$ 16,083,444</b>	<b>1,022,130</b>	<b>-</b>	<b>17,105,574</b>

**CITY OF FAIRVIEW, TENNESSEE**

**Schedule of Capital Assets Used in the Operation of Governmental Funds-  
by Function**

**For the Year Ended June 30, 2016**

	<b>Cost / Estimated Cost</b>			
	<u>Balance June 30, 2015</u>	<u>Additions</u>	<u>Transfers/ Disposals</u>	<u>Balance June 30, 2016</u>
General Government	\$ 4,931,726	87,641	-	5,019,367
Public Safety	3,329,016	-	-	3,329,016
Highways and Streets	27,330,978	77,000	-	27,407,978
Parks and Recreation	2,341,697	-	-	2,341,697
<b>Grand Total</b>	<b>\$ 37,933,417</b>	<b>164,641</b>	<b>-</b>	<b>38,098,058</b>

	<b>Accumulated Depreciation</b>			
	<u>Balance June 30, 2015</u>	<u>Additions</u>	<u>Transfers/ Disposals</u>	<u>Balance June 30, 2016</u>
General Government	\$ 2,082,181	211,682	-	2,293,863
Public Safety	861,537	353,430	-	1,214,967
Highways and Streets	13,138,673	456,800	-	13,595,473
Recreation	1,053	218	-	1,271
<b>Grand Total</b>	<b>\$ 16,083,444</b>	<b>1,022,130</b>	<b>-</b>	<b>17,105,574</b>

**CITY OF FAIRVIEW, TENNESSEE**

**Schedule of Changes in Property Taxes Receivable**

**June 30, 2016**

<u>Tax Year</u>	<u>Balance June 30, 2015</u>	<u>Levy</u>	<u>Changes in Assessment</u>	<u>Collections</u>	<u>Balance June 30, 2016</u>
2015	\$ -	1,712,315	(2,978)	(1,662,602)	46,735
2014	29,315		97	(24,081)	5,331
2013	4,426		-	(2,492)	1,934
2012	1,021		-	(68)	953
2011	1,353		157		1,510
2010	162		10		172
2009	385		-	(23)	362
2008	375		-	52	427
	<u>\$ 37,037</u>	<u>1,712,315</u>	<u>(2,714)</u>	<u>(1,689,214)</u>	<u>57,424</u>
					1,712,400
					<u>(3,462)</u>
					<u>\$ 1,766,362</u>

Note: Delinquent property taxes are turned over to the Clerk and Master of the County Chancery Court each year for collection. All of the taxes above, except for the 2015 tax year, are delinquent and are subject to collection proceedings.



**CITY OF FAIRVIEW, TENNESSEE**

**Schedule of Debt Service Requirements -  
General Obligation Debt**

**June 30, 2016**

<u>Fiscal Year</u>	<u>General Obligation Refunding Bonds - Series 2015</u>	
	<u>Principal</u>	<u>Interest</u>
2017	\$ 180,000	70,181
2018	185,000	66,581
2019	190,000	62,881
2020	195,000	59,081
2021	195,000	55,181
2022	200,000	51,281
2023	205,000	47,281
2024	210,000	42,925
2025	215,000	37,937
2026	220,000	32,563
2027	225,000	27,063
2028	230,000	20,875
2029	240,000	14,550
2030	245,000	7,350
	<u>\$ 2,935,000</u>	<u>595,731</u>

CITY OF FAIRVIEW, TENNESSEE

Schedule of Federal and State Financial Assistance

For the Year Ended June 30, 2016

CFDA Number	Grant Number	Program Name	Grantor Agency	(Receivable) Deferred Balance 6-30-15	Adjustments	Grant Receipts	Grant Expenditures	(Receivable) Deferred Balance 6-30-16
<b>Federal Programs:</b>								
97.083	EMW-2012-FH-00146	Safer Grant Program	U.S. Dept of Justice	\$ (8,327)	-	186,507	(178,180)	-
16.607	N/A	Bullet Proof Vest Program	U.S. Dept of Justice	-	-	600	(600)	-
20.607	Z13GHS112	Governors Highway Safety Program	U.S. Department of Transportation **	-	-	3,484	(4,554)	(1,070)
20.607	Contract 14-374.10	Governors Highway Safety Program	U.S. Department of Transportation **	(28,219)	257 ***	30,241	(2,279)	-
				<u>(28,219)</u>	<u>257</u>	<u>33,725</u>	<u>(6,833)</u>	<u>(1,070)</u>
20.205	STP- M-9324 (1)	Resurfacing Grant	U.S. Department of Transportation *	-	-	214,373	(233,817)	(19,444)
20.205	Project 112379.00	Roadscape Project	U.S. Department of Transportation *	-	-	-	(61,600)	(61,600)
				<u>-</u>	<u>-</u>	<u>214,373</u>	<u>(295,417)</u>	<u>(81,044)</u>
			Total Federal Programs	\$ <u>(36,546)</u>	<u>257</u>	<u>435,205</u>	<u>(481,030)</u>	<u>(82,114)</u>
<b>State Programs:</b>								
N/A	None	State Forestry Grant	Tennessee Department of Agriculture	\$ -	-	2,350	(2,350)	-
			Total State Programs	\$ <u>-</u>	<u>-</u>	<u>2,350</u>	<u>(2,350)</u>	<u>-</u>

\* Passed through the Tennessee Dept. of Transportation.

\*\* Passed through the Tennessee Dept. of Safety.

\*\*\*To adjust for erroneous accrual at June 30, 2015.

Note: All Financial Assistance Programs utilize the modified accrual basis of accounting.

## OTHER REPORTS SECTION

# YEARY, HOWELL & ASSOCIATES

*Certified Public Accountants*

501 EAST IRIS DRIVE  
NASHVILLE, TN 37204-3109

HUBERT E. (BUDDY) YEARY  
GREGORY V. HOWELL

(615) 385-1008  
FAX (615) 385-1208

## **REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDIT STANDARDS***

To the Mayor and Commissioners  
City of Fairview  
Fairview, Tennessee

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Fairview, Tennessee, as of and for the year ended June 30, 2016, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated September 2, 2016.

### **Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered, the City's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we do not express an opinion on the effectiveness of City's internal control.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies, and therefore, material weaknesses or significant deficiencies, may exist that have not been identified. However, as described in the accompanying schedule of findings and recommendations, we identified certain deficiencies in internal control that we consider to be material weaknesses and significant deficiencies.

*A deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. We consider the deficiency described in the accompanying Schedule of Findings and Recommendations to be a material weakness, Finding (2016-001).

*A significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance. We consider the deficiency described in the accompanying Schedule of Findings and Recommendations to be significant deficiencies, Finding (2016-002), (2016-003) and (2016-004).

**Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the City's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

**City of Fairview's Response to Findings**

The City's response to the findings identified in our audit is described in the accompanying schedule of findings and questioned costs. The City's responses were not subjected to the auditing procedures applied in the audit of the financial statements, and accordingly, we express no opinion on it.

**Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



October 21, 2016

**CITY OF FAIRVIEW, TENNESSEE**  
**Schedule of Findings and Recommendations**

**June 30, 2016**

**Current Year Findings**

**Finding-(2016-001)-Unrecorded Bank Account**

We discovered an account with First Bank that had not been recorded in the City's general ledger. The account name was indicated by the Bank as "Chief of Police" account. It appears the account was purposely created to specifically account for the confidential funds related to Drug Fund operations by the Police Chief. Although the police chief has control of the confidential funds checking account, the comptroller requires the police chief to be accountable for drug funds transferred into it. Quarterly reports concerning account activity are to be completed by the police chief or designee and submitted to the city finance using prescribed reporting forms.

Recommendation: We strongly recommend that all bank accounts of the City be recorded in the City's general ledger with all accounts being subjected to the internal controls of the City

**Management Response:**

City management will change the name of the account "Chief of Police" to "Drug Investigation" and add it to the General Ledger. The account will be reconciled in the same manner as all other city accounts.

**Finding-(2016-002)-General Fixed Asset Records**

General fixed asset detail records are not maintained by the City. In the past detail general fixed asset and depreciation records were maintained by the external accounting firm performing the annual audit of the City and reviewed by the City and the end of each year.

Recommendation: We recommend the City maintain these detail records and establish procedures for identifying and recording the acquisition and disposal of general fixed assets at the time of purchase and/or disposition. Assets should be recorded in the detail records at the time of acquisition or disposal along with related cost and estimated useful life information. Depreciation information should be updated for year-end financial reporting purposes.

**Management Response:**

City management will maintain detail records and establish procedures for identifying and recording the acquisition and disposal of general fixed assets at the time of purchase and/or disposition with related cost and estimated useful life information. City management will update depreciation information for year-end financial reporting purposes.

**CITY OF FAIRVIEW, TENNESSEE**  
**Schedule of Findings and Recommendations**

**June 30, 2016**

**Current Year Findings (Continued)**

**Finding-(2016-003)-Internal Control Manual**

We noted the City had not finalized its Internal Control Manual at the end of the fiscal year as requested by the State Comptroller's Office.

Recommendation: We recommend the City finalize and adopt the Internal control manual as requested by the State Comptroller.

Management Response:

The city will finalize and adopt an Internal Control Manual as requested by the State Comptroller.

**Finding-(2016-004)-Building Permits**

During our examination, we noted an error in the calculation of a building permit, the error appeared to result from an input oversight in not using the correct dollar level rate.

Recommendation: We suggest consideration be given to having all the permit fee calculations recomputed by another employee independent of the transaction.

Management Response:

City management will utilize a review process for the assessment and collection of building permit fees. In addition, the city will implement a new software package for building permits eliminating most opportunities for manual calculation errors.

**CITY OF FAIRVIEW, TENNESSEE**  
**Schedule of Findings and Recommendations**  
**June 30, 2016**

**Prior Year Comments**

**FINDING-(2015-001) Financial Reporting**

The City must maintain effective internal controls over financial reporting that would identify, during the regular course of operations, financial reporting errors. We noted financial reporting errors occurring during the year ending June 30, 2015, including but not limited to improper amounts reported for cash, grants receivable, deferred inflows, accounts payable, accrued expenses, and fund balances. It appears the conditions occurred due to lack of effective controls over financial reporting. As a result several general ledger amounts for balance sheet accounts were not reported at correct amounts.

Recommendations: The City should implement stronger internal controls over financial reporting, emphasizing the use of checks and balances and the City Manager's oversight. Further, the City should increase staff training on financial reporting.

Management Response: We have increased the City Manager's and City Recorder's oversight roles and increased staff training.

Disposition: Financial records produced by the City were prepared on the modified accrual basis and required adjustment primarily for items that arose subsequent to close out of the accounting records with the related adjustments proposed by the auditor being reviewed and accepted by City finance personnel. The situation appears much improved.

**FINDING-(2015-002) State Street Aid Revenues and Expenditures**

Resolution No 17-14 states that, the City must separate from the unassigned funds the available State Street Aid funds by the end of the 2015 fiscal year. State Street Aid available funds , presented in the General Fund, have not been properly reserved in the past.

Recommendation: The City should segregate the restricted and committed funds according to the resolution.

Management Response: We will begin segregating funds into separate accounts in the 2016 fiscal year.

Disposition: The City has determined the amount of unexpended State Street Aid funds and has accounted for such amount as a restricted portion of General Fund net position as of June 30, 2016. The situation appears to have been resolved.



**CITY OF FAIRVIEW, TENNESSEE**  
**Schedule of Findings and Recommendations**  
**June 30, 2016**

**Prior Year Comments (Continued)**

**FINDING-(2015-003)- Budgets**

The City is required to prepare a budget in accordance with all requirements in Tennessee Code Annotated Section 6-56-203. At the end of 2015 fiscal year, the City incurred substantial costs for road maintenance completed prior to June 30, 2015. Recording of the liability resulted in actual expenditures exceeding the amount appropriated in the budget for the General Fund. The City did not amend the budget before the work was performed, which resulted in expenditure exceeding the budget.

Recommendations: The City should monitor accounts payable more closely which would enable more timely amendment to budgeted appropriations.

Management Response: The City agree that the budget should have been amended on a timely basis and would monitor pending projects for budget revisions.

Disposition: City expenditures were under the amended budget amounts for all departments and funds for the year ended June 30, 2016. The situation appears to have been resolved

**Other Matters**

During the examination, we were requested to review certain City disbursements related to an employee who was also a family member of a City commissioner. In our review of these transactions we found them to be appropriately authorized and the supporting documentation was found it to be in agreement with the expenditure.

Accordingly we have no findings as a result of the above matter. However, it is our understanding the City is currently reviewing and updating its present nepotism policy and that future policy may encompass policies regarding employment of commissioners' family members.

**CITY OF FAIRVIEW, TENNESSEE**

Schedule of Disposition of Prior Year Findings and Questioned Costs

For the Fiscal Year Ended June 30, 2016

**Financial Statement Findings**

Finding Number	Finding Title	Finding Status
2015-001	Financial Reporting Original Finding #2015-001	Partially Corrected
2015-002	State Street Aid Revenue and Expenditures Original Finding #2015-002	Corrected
2015-003	Budget Amendments Original Finding # 2015-003	Corrected

**Schedule of Expenditure of Federal Awards**

There were no prior year findings in the Schedule of Expenditure of Federal Awards.

**BUERGER, MOSELEY & CARSON, PLC**  
Williamson County Attorneys  
306 Public Square  
Franklin, TN 37064  
(615) 794-8850  
(615) 790-8861 Fax



**ROBERT COOK**  
rcook@buergerlaw.com

10F

November 29, 2016

**VIA U.S. MAIL AND**  
**EMAIL: cantrelllarry@bellsouth.net**

Larry Cantrell  
City of Fairview Attorney  
2013 8<sup>th</sup> Avenue South  
Nashville, TN 37204

**Re: Termination of Interlocal Agreement  
Adequate School Facilities Tax**

Dear Larry:

This letter shall serve as notice of Williamson County's intent to terminate the Interlocal Agreement between the City of Fairview and Williamson County concerning revenue received from the Adequate School Facilities Tax. We've determined over the past few years that this Agreement has become more of a hindrance than a benefit to the parties. The Interlocal Agreement requires the City of Fairview to set aside revenue received through the Adequate School Facilities Tax for future school capital needs. Termination of this Agreement would not prohibit the City of Fairview from donating funds to Williamson County should it desire, but it will remove the requirement that the City of Fairview seek an approval and an addendum to the Interlocal Agreement prior to expending the funds for non-related school capital items.

Please let me know whether the City of Fairview would be agreeable in terminating the Interlocal Agreement. Should you have any questions regarding this matter please direct them to my attention.

Sincerely,

**BUERGER, MOSELEY & CARSON, PLC**

Robert Cook

RC:ars

Cc: Rogers Anderson, Williamson County Mayor  
Nena Graham, Budget Director  
Leslie Mitchell, Purchasing Agent

**INTERLOCAL FOR THE JOINT PARTICIPATION  
IN THE FUNDING OF FUTURE SCHOOL FACILITIES BY  
USE OF RECEIPTS RECEIVED FROM THE ADEQUATE SCHOOL FACILITIES TAX**

*THIS INTERLOCAL AGREEMENT*, ("Agreement"), is entered into by and between Williamson County, Tennessee, ("County"), a political subdivision of the State of Tennessee, located at 1320 West Main Street, Franklin, Tennessee, 37064, and the City of Fairview, ("City"), to establish the terms and process in collecting and expending funds received from the Adequate School Facilities Tax ("Privilege Tax").

**RECITALS**

**WHEREAS**, Williamson County and the City have the authority, pursuant to T.C.A. §12-9-104, to enter into interlocal agreements for the joint cooperation and funding of public facilities;

**WHEREAS**, in March 2007, the Williamson County Board of Commissioners approved Resolution Number 3-07-11 which implemented a privilege tax of \$1.00 on new residential construction under the Adequate School Facilities Tax, Private Acts of 1987, Chapter 113 ("Private Act");

**WHEREAS**, pursuant to Section 9 of the Private Act, thirty percent (30%) of the collected tax shall be divided on a pro rata share among those cites who have adopted a Capital Improvement Plan; and

**WHEREAS**, in adopting Resolution 3-07-7, the Williamson County Board of Commissioners found that the joint cooperation between the County and the City would reduce the burden on existing taxpayers for future school facility constructions and/or renovation projects and, as such, is in its citizens' best interest.

**NOW THEREFORE**, in consideration of the mutual promises contained herein, the sufficiency of which is hereby acknowledged, the parties agree as follows:

1. **Purpose of Agreement.** The City and County have continued to express their willingness and desire to cooperate in creating the best school system possible for the benefit of the children of the City and County. The purpose of this Interlocal Agreement is to establish a cooperative environment between the City and the County to jointly work towards providing needed educational facilities, to set forth the duties of the County and the City, and to provide a means in which the City will provide funds out of its pro rata share of the adequate facilities tax receipts to assist in the cost of future construction or renovation of public school facilities. The parties agree that the City shall maintain the funds to be held in a separate accounting fund from its general funds.
2. **Authority.** This Interlocal Agreement is made and entered into pursuant to the authority granted to the parties under the *Interlocal Cooperation Act, Tennessee Code Annotated*, Sections 12-9-101, et seq. The parties agree that all approvals and filings required by the terms of said Act shall be achieved as soon as possible from and after the execution of this Agreement.
3. **County's Responsibilities.**
  - a) The County shall collect the adequate school facility tax in the manner described in the Private Act and at the rate set by the Williamson County Legislative Body.
  - b) As provided for in Section 9 of the Private Act, Williamson County shall, within fifteen

(15) days after the last day of each month, distribute thirty percent (30%) of the revenue collected on a pro rata share based on population of the cities who have adopted a Capital Improvement Plan ("CIP").

- c) The County shall ensure that the appropriate distribution is made to the Franklin Special School District according to the ADA formula.
- d) Williamson County shall maintain a separate record of the revenue amount distributed to the City.

4. City's Responsibilities.

- a) The City agrees to maintain the revenue it receives from the proceeds from the Privilege Tax, in a separate investment account. The City will be fully authorized to use any funds received from interest on the money in the investment account for any purpose as authorized by the Private Act.
- b) The City agrees to provide revenue it receives in the collection of the Privilege Tax as provided for in the Private Act and this Agreement for the future construction and/or renovation of school facilities in its jurisdiction. The City's pro rata share shall be deposited and maintained by the City.
- c) Both parties agree that the funds shall only be used for those future school facilities as agreed upon by both the City and County and within the guidelines and restrictions set forth in the Tennessee Code and the Private Act.
- d) The City shall designate a person who shall be in charge of administering the terms of this Agreement and who shall serve as the point of contact for the City.
- e) The City is responsible for ensuring that its legislative body has adopted a CIP before it receives any of the revenue from the Private Act. The City shall provide Williamson County with a copy of the CIP before it will be eligible to receive any revenue from the Privilege Tax.

5. Funding for Projects Within the City's Jurisdiction.

- A. Once a school facility construction project has been initiated, Williamson County shall:
  - i. Seek approval for the project and funding from its Board of Commissioners by submitting a resolution which sets forth the amount that will be funded from its revenue received from the Privilege Tax, the amount being requested from the City's revenue of the Privilege Tax, and the amount to be funded by bond or other method;
  - ii. The County's funds shall be transferred to the Schools Capital Projects account.
  - iii. The County shall forward the authorizing resolution and any other project documents to the City.
- B. The County shall notify the City of its intent to initiate a construction project on school facilities within the City's jurisdiction. Once the City has received the notification it shall:
  - i. Review the plans of the school project and proposal of the amount of funds it is requesting from the City's revenue from the Privilege Tax;
  - ii. The City shall obtain the approvals needed to expend the funds and shall expend the funds in a manner as directed by the entity authorized to oversee the construction of the project.

6. Funding for Projects Outside the City's Jurisdiction. Should the City decide, after receiving the required legislative approval, to assist the County in the construction of school facilities outside the City's jurisdiction but attended by its citizens, then it shall provide the amount as a donation with a restriction that the funds are to be expended on that particular Project.

7. **Duration.** The term of this Agreement shall be for a term of four (4) years and shall automatically renew unless otherwise terminated as provided for in this Agreement. The initial term of this Agreement will begin on the date that all parties have signed the Agreement and will continue until the Agreement has been terminated by either party as provided for herein.
8. **Termination for Breach.** If, through any cause, either party shall breach a material term of this Agreement by failing to fulfill in a timely and proper manner its obligations under this Contract or by violating any of the covenants, agreements, or stipulations of this Agreement, the non-breaching party may terminate this Agreement. The non-breaching party shall provide thirty (30) days written notice to provide the breaching party time to cure the breach. Should the breaching party fail to cure the breach, the non-breaching party shall provide written notice of the effective date of the termination.
9. **Termination for Convenience.** This Agreement may be terminated for no reason by unanimous consent of both parties' legislative bodies.
10. **Audits and Records.** The parties shall be responsible to maintain its accounts and records of the revenue which it receives or expends as well as all other documentation required by applicable Federal and/or State law. These records will be made available for audit purposes to any person or entity authorized by Federal, State, or local laws. Records shall be retained for three (3) years or for the minimum time required by applicable law, whichever is later.
11. **Notices.**
  - A. Notices to County shall be sent to:  
Attention: Office of the Williamson County Mayor  
Mayor Rogers Anderson  
Address: 1320 West Main Street, Suite 125  
Franklin, TN 37064
  - B. Notices to City shall be sent to:  
Attention: Office of the Fairview City Mayor  
Ken Brisou  
Address: 7100 City Center Circle  
P.O. Box 69  
Fairview, TN 37062
12. **Modification of Agreement.** This Agreement may be modified only by written amendment executed by all parties and their signatories hereto.
13. **Liability.** Each party to this Agreement assumes liability for its own acts and omissions, and for those of the party's agents and employees. The parties will not indemnify, defend or hold harmless in any fashion the other parties from any claims arising from any failure, regardless of any language in any attachment or other document purported to provide indemnification of one party to another.
14. **Limitation of Liability.** The parties, being political subdivisions of the State, are governed by the provisions of the Tennessee Government Tort Liability Act, *Tennessee Code Annotated*, Sections 29-20-101 *et seq.*, for causes of action sounding in tort. Further, no contract provision requiring a Tennessee political entity to indemnify or hold harmless the parties beyond the

- liability imposed by law is enforceable because it appropriates public money and nullifies governmental immunity without the authorization of the General Assembly.
15. **No Warranties.** The parties individually state that they offer no warranties of any kind, express or implied, including, but not limited to, the provision of any materials, or services.
  16. **Force Majeure.** No party shall have any liability to the other hereunder by reason of any delay or failure to perform any obligation or covenant if the delay or failure to perform is occasioned by *force majeure*, meaning any act of God, storm, fire, casualty, unanticipated work stoppage, strike, lockout, labor dispute, civil disturbance, riot, war, national emergency, act of Government, act of public enemy, or other cause of similar or dissimilar nature beyond its control.
  17. **Severability.** Should any provision of this Agreement be declared to be invalid by any court of competent jurisdiction, such provision shall be severed and shall not affect the validity of the remaining provisions of this Agreement.
  18. **Assignment - Consent Required.** The provisions of this Agreement shall inure to the benefit of and shall be binding upon the respective successors and assignees of the parties hereto. Neither this Agreement nor any of the rights and obligations of the City, County, or State hereunder shall be assigned or transferred in whole or in part without the prior written consent of all parties. Any such assignment or transfer shall not release the parties from their obligations hereunder.
  19. **Partnership/Joint Venture.** Nothing herein shall in any way be construed or intended to create a partnership between the parties or to create the relationship of principal and agent between or among any of the parties. None of the parties hereto shall hold itself out in a manner contrary to the terms of this paragraph. No party shall become liable for any representation, act or omission of any other party contrary to the terms of this Section.
  20. **Specific Performance.** The parties recognize that the rights afforded to each under this Agreement are unique and, accordingly, County and/or City shall, in addition to such other remedies as may be available to them in equity, have the right to enforce their respective rights hereunder by an action for injunctive relief and specific performance to the extent permitted by law.
  21. **Employment Discrimination.** The parties shall not subscribe to any personnel policy which permits or allows for the promotion, demotion, employment, dismissal or laying off of any individual due to race, creed, color, national origin, age, sex, or which is in violation of applicable laws concerning the employment of individuals with disabilities.
  22. **Waiver.** No waiver of any provision of this Agreement shall affect the right of any party thereafter to enforce such provision or to exercise any right or remedy available to it in the event of any default.
  23. **Headings.** The headings in this Agreement are for convenience and reference and are not intended to define or limit the scope of any provision of this Agreement.
  24. **Entire Agreement.** This Agreement sets forth the entire agreement between the parties with respect to the subject matter hereof and shall govern the respective duties and obligations of the parties.
  25. **Effective Date.** This Agreement shall not be binding upon the parties until it has been properly

approved by the County and City, and executed in two (2) counterparts by the authorized representatives of each party. Each counterpart shall be deemed an original of this Agreement. This Agreement shall be effective as of the date it is executed on behalf of County or City, whichever date falls later.

- 26. Approval. By executing this Agreement, each official below signifies to the other participants that this Agreement has been lawfully approved by the participating governing body which that official represents.

IN WITNESS WHEREOF, the County and the City have executed this Agreement effective as of the date and year first above written.

ATTEST:

CITY OF FAIRVIEW, TN

Kathleen Daugherty  
BY:

Ken Brison  
BY: Ken Brison  
FAIRVIEW MAYOR

Date: 9-20-07

ATTEST:

WILLIAMSON COUNTY, TN

Diane Giddens  
BY: DIANE GIDDENS  
CHIEF OF STAFF

Rogers Anderson  
BY: ROGERS ANDERSON  
COUNTY MAYOR

Date: 11/5/07



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**PYRO SHOWS**

**MATERIAL CONTRACT  
STATE of TENNESSEE  
COUNTY of CAMPBELL**

THIS AGREEMENT made this 28<sup>th</sup> Day of November, 2016 by and between **PYRO SHOWS, Inc.**, a Tennessee corporation with its principal place of business at P.O. Box 1776, LaFollette, State of Tennessee (hereinafter **PYRO SHOWS**), and **CITY OF FAIRVIEW**, with its principal place of business at 7100 City Center Way, Fairview, State of Tennessee, hereinafter referred to as the "Customer".

In consideration of the mutual promise and undertakings set forth herein, the parties agree as follows:

1. **DESCRIPTION AND QUANTITY:** Customer hereby orders the following products in the specified quantities at the indicated prices:

Type-Fireworks Special Class " B" or 1.3G  
Program #: 17 TN 07-03-M-6500-000040  
Display Dates: Three year contract: July 3, 2017; July 3, 2018; July 3, 2019  
Totals: \$6,500.00 per show plus tax (if appl.) Customer shall submit a 50% deposit upon return of signed Balance due day of the show or upon receipt of package show.

2. **DELIVERY AND RISK OF LOSS:** The material shall be delivered to Customer at Customer's expense pursuant to the proposal. Risk of loss shall pass to Customer as soon as PYRO SHOWS places the material as the indicated.

3. **PAYMENT:** The method of payment is by check and payable to PYRO SHOWS.

4. **COMPLIANCE WITH LAW AND REGULATIONS:** In the event that Customer intends to use the material governed by this Agreement in a place or in a manner in which approval is required by any laws, regulations, codes or ordinances, Customer shall apply for the approval to the appropriate agency, officer, or authority promptly upon the execution of this Agreement and shall provide PYRO SHOWS with a copy of the permit, license or other approval so obtained. Customer shall not use the material until all required approval is actually received. Customer has received an exact replica of NFPA 1123-10 and will abide by all fireworks safety codes.

5. **WARRANTY EXCLUSION:** Customer understands that PYRO SHOWS is not the manufacturer of the material governed by this Agreement.

THIS IS NO WARRANTY BY PYRO SHOWS THAT ANY OF THE MATERIAL HEREIN SOLD IS MERCHANTABLE OR FIT FOR A PARTICULAR PURPOSE. SUCH GOODS ARE SOLD "AS IS." CUSTOMER IS NOT RELYING UPON ANY REPRESENTATION, STATEMENT OR ANY OTHER ASSERTION WITH RESPECT TO THIS NATURE OF QUALITY OF THE MATERIAL SOLD HEREIN. CUSTOMER IS RELYING SOLELY UPON ITS EXAMINATION AND ITS TESTING OF SUCH MATERIAL. NO CLAIM OF ANY KIND, WHETHER AS TO MATERIAL DELIVERED OR FOR NONDELIVERY OF MATERIAL, SHALL BE GREATER IN AMOUNT THAN THE PURCHASE OF THE MATERIAL IN RESPECT OF WHICH SUCH CLAIM IS MADE. IN NO EVENT SHALL PYRO SHOWS BE LIABLE FOR ANY LOSS OF PROFITS OR OTHER ECONOMIC LOSS, INDIRECT, SPECIAL, CONSEQUENTIAL OR OTHER SIMILAR DAMAGES ARISING OUT OF ANY CLAIMED BREACH OF OBLIGATIONS HEREUNDER.

IN WITNESS WHEREOF, this agreement is executed in duplicate the date shown above.  
PYRO SHOWS, Inc.

BY: \_\_\_\_\_  
Michael E. Walden

BY: \_\_\_\_\_  
AS CUSTOMER

DATE: \_\_\_\_\_, 2016

DATE: \_\_\_\_\_, 2016

The undersigned individual (hereinafter called the "Guarantor") unconditionally guarantees all of the obligations entered into by the Customer in the contract between CITY OF FAIRVIEW, Customer and PYRO SHOWS, dated November 28, 2016. The guarantor agrees that if the Customer defaults he will pay all sums due to and owing under contract, including all cost of collection and reasonable attorney's fees. He agrees to unconditionally guarantee all of the obligations entered into by the Customer as if he were the Customer in the event Customer defaults or fails to pay the agreed contract price.

IN WITNESS whereof, this the \_\_\_\_\_ day of \_\_\_\_\_, 2016.

\_\_\_\_\_  
SIGNATURE OF GUARANTOR

\_\_\_\_\_  
SIGNATURE OF GUARANTOR

\_\_\_\_\_  
RESIDENCE ADDRESS

\_\_\_\_\_  
RESIDENCE ADDRESS

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BILL # 2016-35

ORDINANCE NO. 949

**AN ORDINANCE TO AMEND TITLE 7, CHAPTER 2 AND TITLE 12 OF THE CITY OF FAIRVIEW'S MUNICIPAL CODE. BY REPEALING ORDINANCE 784, ADOPTED MAY 3, 2012 AND REPLACING IT IN ITS ENTIRETY BY THE ABOVE STYLED ORDINANCE.**

WHEREAS, the Board of Commissioners of the City of Fairview deems it necessary to clarify title 7, chapter 2 and title 12 of the municipal code by repealing Ordinance 772, adopted March 17, 2011 and replacing it in its entirety by the following:

NOW, THEREFORE, BE IT ORDAINED BY THE COMMISSIONERS OF THE CITY OF FAIRVIEW, TENNESSEE, THAT:

SECTION 1. We hereby repeal title 7, chapter 2 of the municipal code in its entirety and any ordinances amending title 7, chapter 2, and replace it with the following:

**CHAPTER 2**

**FIRE CODE<sup>1</sup>**

**SECTION**

- 7-201. Fire code adopted.
- 7-202. Enforcement.
- 7-203. Modifications.
- 7-204. Definition of "municipality."
- 7-205. Storage of explosives, flammable liquids, etc.
- 7-206. Gasoline trucks.
- 7-207. Variances.
- 7-208. Violations and penalty.

**7-201. Fire code adopted.** Pursuant to authority granted by Tennessee Code Annotated, § § 6-54-501 through 6-54-506, and for the purpose of regulating exits, egress capacity, stairways, fire escapes, travel distance to egress, special locking arrangements in place of assembly

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<sup>1</sup>Municipal code reference  
Building, utility and residential codes: title 12.

occupancies, in any building or structure. The International Fire Code,<sup>1</sup> 2012 edition, along with appendices A, B, C, D, F, H, I and all subsequent amendments or additions to said code as prepared and adopted by the International Code Council is hereby adopted and incorporated by reference as fully as if copied herein verbatim as a part of this code.

One (1) copy of the fire code shall be kept on file in the office of the city recorder for the use and inspection of the public.

**7-202. Enforcement.** The fire code herein adopted by reference shall be enforced by the chief of the fire department. He shall have the same powers as the state fire marshal.

**7-203. Modifications.** (1) Within the fire code when reference is made to the duties of certain officials named therein, that designated official of City of Fairview, Tennessee who has duties corresponding to those of the chief of the fire department or designated fire marshall shall be deemed to be the responsible official insofar as enforcing the provisions of the code are concerned.

(2) Section 903, "Automatic Sprinkler Systems," of the International Fire Code, 2012 edition, is adopted in its entirety with the following modifications to the following sections:

(a) Section 903.2.1.1 Group A-1 (1) The fire area exceeds 5,000 square feet.

(b) Section 903.2.1.3 Group A-3 (1) The fire area exceeds 5,000 square feet.

(c) Section 903.2.1.4 Group A-4 (1) The fire area exceeds 5,000 square feet.

(d) Section 903.2.3 Group E (1) Throughout all Group E fire areas greater than 5,000 square feet.

(e) Section 903.2.4 Group F (1) A Group F-1 fire area exceeds 5,000 square feet.

(f) Section 903.2.7 Group M (1) A Group M fire area exceeds 5,000 square feet.

(g) Section 903.2.8 Group R A Group R an automatic sprinkler system installed in accordance with Section 903.3 shall be provided throughout all buildings with a Group R fire area except for one-and two-family dwellings.

(h) Section 903.2.9 Group S-1 (1) A group S-1 fire area exceeds 5,000 square feet.

(i) Section 903.2.9.1 Repair Garages.

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<sup>1</sup>Copies of this code (and any amendments) may be purchased from the International Code Council, 500 New Jersey Avenue NW, 6th Floor, Washington, DC 20001

(i) Buildings having two or more stories above grade plane, including basements, with a fire area containing a repair garage exceeding 5,000 square feet.

(ii) Buildings no more than one story above grade plane, with a fire area containing a repair garage exceeding 5,000 square feet.

(j) Section 903.2.10 Group S-2 enclosed parking garages.

(i) Where the fire area of the enclosed parking garage exceeds 5,000 square feet.

**7-204. Definition of "municipality."** Whenever the word "municipality" is used in the fire code herein adopted, it shall be held to mean the City of Fairview, Tennessee.

**7-205. Storage of explosives, flammable liquids, etc.** (1) The limits referred to in the fire code, in which storage of explosive materials is prohibited, are hereby declared to be the fire district as set out in § 7-101 of this code.

(2) The limits referred to in the fire code, in which storage of flammable or combustible liquids in outside above ground tanks is prohibited, are hereby declared to be the fire district as set out in § 7-101 of this code.

(3) The limits referred to in the fire code, in which new bulk plants for flammable or combustible liquids are prohibited, are hereby declared to be the fire district as set out in § 7-101 of this code.

(4) The limits referred to in the fire code, in which bulk storage of liquefied petroleum gas is restricted, are hereby declared to be the fire district as set out in § 7-101 of this code.

**7-206. Gasoline trucks.** No person shall operate or park any gasoline tank truck within the central business district or within any residential area at any time except for the purpose of and while actually engaged in the expeditious delivery of gasoline.

**7-207. Variances.** The chief of the fire department may recommend to the board of commissioners variances from the provisions of the fire prevention code upon application in writing by any property owner or lessee, or the duly authorized agent of either, when there are practical difficulties in the way of carrying out the strict letter of the code, provided that the spirit of the code shall be observed, public safety secured, and substantial justice done. The particulars of such variances when granted or allowed shall be contained in a resolution of the board of commissioners.

**7-208. Violations and penalties.** It shall be unlawful for any person to violate or fail to comply with any provision of the fire code, along with Appendices A, B, C, D, F, H, and I as herein adopted. The violation of any



section of this chapter shall be punishable by a penalty of up to fifty dollars (\$50.00) for each offense. Each day a violation is allowed to continue shall constitute a separate offense.

**SECTION 2.** We hereby repeal title 12, chapters 1 through 11 of the municipal code in their entirety and any ordinances amending title 12 and replace it with the following chapters:

## **CHAPTER 1**

### **BUILDING CODE<sup>1</sup>**

#### **SECTION**

- 12-101. Building code adopted.
- 12-102. Modifications.
- 12-103. License, tax and permit fees.
- 12-104. Violations and penalty.

**12-101. Building code adopted.** Pursuant to authority granted by Tennessee Code Annotated, §§ 6-54-501 through 6-54-506, and for the purpose of regulating the construction, alteration, repair, use, occupancy, location, maintenance, removal, and demolition of every building or structure or any appurtenance connected or attached to any building or structure, the International Building Code, 2012 edition<sup>2</sup>, is adopted by reference as fully as if a copied herein in its entirety and all subsequent amendments or additions to the said code, as prepared and adopted by the International Code Council, is hereby adopted and incorporated by reference as a part of this code, and are hereinafter referred to as the building code.

One (1) copy of the building code shall be kept on file in the office of the city recorder for the use and inspection of the public.

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<sup>1</sup>Municipal code references

- Fire protection, fireworks, and explosives: title 7.
- Planning and zoning: title 14.
- Streets and other public ways and places: title 16.
- Utilities and services: titles 18 and 19.

<sup>2</sup>Copies of this code (and any amendments) may be purchased from the International Code Council, 500 New Jersey Avenue NW, 6<sup>th</sup> Floor, Washington, DC 20001.

**12-102. Modifications.** (1) **Definitions.** Whenever the building code refers to the "Chief Appointing Authority," it shall be deemed to be a reference to the mayor. When the "Building Official" is named it shall, for the purposes of the building code, mean such person as the mayor shall have appointed or designated to administer and enforce the provisions of the building code.

(2) Section 903, "Automatic Sprinkler Systems," of the International Building Code, 2012 edition, is adopted in its entirety with the following modifications to the following sections:

(a) Section 903.2.1.1 Group A-1 (1) The fire area exceeds 5,000 square feet.

(b) Section 903.2.1.3 Group A-3 (1) The fire area exceeds 5,000 square feet.

(c) Section 903.2.1.4 Group A-4 (1) The fire area exceeds 5,000 square feet.

(d) Section 903.2.3 Group E (1) Throughout all Group E fire areas greater than 5,000 square feet.

(e) Section 903.2.4 Group F (1) A Group F-1 fire area exceeds 5,000 square feet.

(f) Section 903.2.7 Group M (1) A Group M fire area exceeds 5,000 square feet.

(g) Section 903.2.8 Group R A Group R an automatic sprinkler system installed in accordance with Section 903.3 shall be provided throughout all buildings with a Group R fire area except for one-and two-family dwellings.

(h) Section 903.2.9 Group S-1 (1) A group S-1 fire area exceeds 5,000 square feet.

(i) Section 903.2.9.1 Repair Garages.

(i) Buildings having two or more stories above grade plane, including basements, with a fire area containing a repair garage exceeding 5,000 square feet.

(ii) Buildings no more than one story above grade plane, with a fire area containing a repair garage exceeding 5,000 square feet.

(j) Section 903.2.10 Group S-2 enclosed parking garages.

(i) Where the fire area of the enclosed parking garage exceeds 5,000 square feet.

**12-103. License, tax and permit fees.** Any licensed contractor applying for a building permit is required to pay a license tax annually in the amount of fifty dollars (\$50.00). No contractor or builder shall be licensed by the city unless he shall have first complied with Tennessee Code Annotated, title 62, chapter 6.

Building permit fees for new construction and/or remodeling will be collected by the building inspector and determination of the value of construction. Said fees are to be paid prior to issuance of any permit. The contractor/builder may submit actual costs or bids to substantiate a lower cost for the particular project, which may be accepted by the building inspector for determining valuation. The fees shall be as follows:

(1) Where the valuation does not exceed \$500.00, no fee shall be required unless an inspection is necessary, in which case there shall be a \$30.00 minimum fee.

(2) For a valuation over \$500.00 up to and including \$15,000.00 the fee shall be \$30.00 for the first \$500.00 plus \$6.00 per each additional \$1,000.00 or fraction thereof.

(3) For a valuation over \$15,000.00 up to and including \$50,000.00, the fee shall be \$120.00 for the first \$15,000.00 plus \$5.00 for each additional thousand or fraction thereof.

(4) For a valuation over \$50,000.00 up to and including \$100,000.00, the fee shall be \$295.00 for the first \$50,000.00 plus \$4.00 for each additional thousand or fraction thereof.

(5) For a valuation over \$100,000.00 up to and including \$500,000.00 the fee shall be \$495.00 for the first \$100,000.00 plus \$3.00 for each additional thousand or fraction thereof.

(6) For a valuation over \$500,000.00 the fee shall be \$1,695.00 for the first 500,000.00 plus \$1.00 for each additional thousand or fraction thereof, or the cost of an appropriate consulting engineer plus 25 percent.

(7) For any special or temporary building permits required by this section the fee shall be as follows:

Basement	\$10.00 per square foot
Garage	\$15.00 per square foot
Storage Building	\$ 8.00 per square foot
Barns	\$ 8.00 per square foot
Additions	\$25.00 per square foot
Decks	\$ 8.00 per square foot
Carports	\$10.00 per square foot

(8) For any temporary permits required by this section the fee shall be \$100.00, with the exception of those organizations that are qualified as tax exempt charitable corporations under the Internal Revenue Code of the United States of America. For those charitable organizations the temporary permit fee shall be \$25.00.

(9) For any reinspection, the fee shall be \$15.00.

(10) Electrical permit fee. For each electrical permit issuance, the fee shall be \$5.00.

(11) Mechanical permit fees. The schedule of mechanical permit fees shall be as follows:

For issuing permit	\$10.00
Fee for inspecting heating, ventilating, ductwork, air conditioning and refrigeration systems shall be for the first \$1,000.00 or fraction thereof, of valuation of the installation plus	\$10.00
for each \$1,000.00 or fraction thereof.	\$ 2.00
Fee for inspecting repairs, alterations and additions	
To existing system shall be	\$ 5.00
Plus	\$ 2.00
For each \$1,000.00 or fraction thereof.	
In all buildings, except one and two family dwellings, where self-contained air conditioning units of less than two tons are to be installed, the fee charged shall be that for the total cost of all units combined.	
Reinspection fee is an additional	\$15.00

(12) Plumbing permit fees. The schedule of plumbing permit fees shall be as follows:

For issuing permit	\$10.00
For each plumbing fixture	\$ 2.50
For each house sewer	\$ 5.00
For each house sewer having to be replaced	\$ 5.00
For each septic tank	\$5.00
For each water heater and/or vent	\$ 2.50
For installation, alteration or repair of water piping and/or water treating equipment	\$ 5.00
For repair or alteration drainage or vent piping	\$ 5.00
For vacuum breakers or backflow protective devices installed subsequent to the installation of the piping or equipment served:	
One to five	\$ 2.50
Over five, each	\$ 1.50
Reinspection fee is an additional	\$15.00

**12-104. Violations and penalty.** It shall be unlawful for any person to violate or fail to comply with any provision of the building code as herein adopted by reference and modified. The violation of any section of this chapter shall be punishable by a penalty of up to fifty dollars (\$50.00) for each offense. Each day a violation is allowed to continue shall constitute a separate offense.



## CHAPTER 2

### PLUMBING CODE<sup>1</sup>

#### SECTION

- 12-201. Plumbing code adopted.
- 12-202. Modifications.
- 12-203. Violations and penalty.

**12-201. Plumbing code adopted.** Pursuant to authority granted by Tennessee Code Annotated, §§ 6-54-501 through 6-54-506, and for the purpose of regulating plumbing installations, including alterations, repairs, equipment, appliances, fixtures, fittings, and the appurtenances thereto, within or without the city, when such plumbing is or is to be connected with the city water or sewerage system, the International Plumbing Code,<sup>2</sup> 2012 edition, and all subsequent amendments or additions to the said code, as prepared and adopted by the International Code Council are hereby adopted and incorporated by reference as a part of this code as fully as if copied herein verbatim, and is hereinafter referred to as the plumbing code.

One (1) copy of the plumbing code shall be kept on file in the office of the city recorder for the use and inspection of the public.

**12-202. Modifications. Definitions.** Wherever the plumbing code refers to the "Chief Appointing Authority," it shall be deemed to be a reference to the board of commissioners.

Wherever "Code Official," is named or referred to, it shall mean the person appointed or designated by the city manager to administer and enforce the provisions of the plumbing code. Section 107 of the plumbing code is hereby deleted.

Within the plumbing code when reference is made to the duties of certain officials named therein, that designated official of City of Fairview, Tennessee who has duties corresponding to those of the named official shall be deemed to be the responsible official insofar as enforcing the provisions of the code are concerned

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<sup>1</sup>Municipal code references

Cross connections: title 18.

Street excavations: title 16.

Wastewater treatment: title 18.

Water and sewer system administration: title 18.

<sup>2</sup>Copies of this code (and any amendments) may be purchased from the International Code Council, 500 New Jersey Avenue NW, 6<sup>th</sup> Floor, Washington, DC 20001.

**12-203. Violations and penalty.** It shall be unlawful for any person to violate or fail to comply with any provision of the plumbing code as herein adopted by reference and modified. The violation of any section of this chapter shall be punishable by a penalty of up to fifty dollars (\$50.00) for each offense. Each day a violation is allowed to continue shall constitute a separate offense.

## CHAPTER 3

### GAS CODE<sup>1</sup>

#### SECTION

- 12-301. Title and definitions.
- 12-302. Purpose and scope.
- 12-303. Use of existing piping and appliances.
- 12-304. Bond and license.
- 12-305. Gas inspector and assistants.
- 12-306. Powers and duties of inspector.
- 12-307. Permits.
- 12-308. Inspections.
- 12-309. Certificates.
- 12-310. Fees.
- 12-311. Nonliability.
- 12-312. Violations and penalty.

**12-301. Title and definitions.** This chapter and the code herein adopted by reference shall be known as the gas code of the city. The following definitions are provided for the purpose of interpretation and administration of the gas code.

(1) "Certain appliances" means conversion burners, floor furnaces, central heating plants, vented wall furnaces, water heaters, and boilers.

(2) "**Error! Bookmark not defined.**Certificate of approval" means a document or tag issued and/or attached by the inspector to the inspected material, piping, or appliance installation, filled out, together with date, address of the premises, and signed by the inspector.

(3) "Gas company" means any person distributing gas within the corporate limits or authorized and proposing to so engage.

(4) "Inspector" means the person appointed as inspector, and shall include each assistant inspector, if any, from time to time acting as such under this chapter by appointment of the city manager.

(5) "Person" means any individual, partnership, firm, corporation, or any other organized group of individuals.

**12-302. Purpose and scope.** The purpose of the gas code is to provide minimum standards, provisions, and requirements for safe installation of consumer's gas piping and gas appliances. All gas piping and gas appliances installed, replaced, maintained, or repaired within the corporate limits shall conform to the requirements of this chapter and to the

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<sup>1</sup>Municipal code reference

Gas system administration: title 19, chapter 2.

International Fuel and Gas Code,<sup>1</sup> 2009 edition, and all subsequent amendments and additions to said code, which are hereby adopted by and incorporated by reference and made a part of this chapter as if fully set forth herein. One (1) copy of the gas code shall be kept on file in the office of the city recorder for the use and inspection of the public.

**12-303. Modifications.** Within the gas code when reference is made to the duties of certain officials named therein, that designated official of City of Fairview, Tennessee who has duties corresponding to those of the named official shall be deemed to be the responsible official insofar as enforcing the provisions of the code are concerned. (Ord. #366, Nov. 1994)

**12-304. Use of existing piping and appliances.** Notwithstanding any provision in the gas code to the contrary, consumer's piping installed prior to the adoption of the gas code or piping installed to supply other than natural gas may be converted to natural gas if the inspector finds, upon inspection and proper tests, that such piping will render reasonably satisfactory gas service to the consumer and will not in any way endanger life or property; otherwise, such piping shall be altered or replaced, in whole or in part, to conform with the requirements of the gas code.

**12-305. Bond and license.** (1) No person shall engage in or work at the installation, extension, or alteration of consumer's gas piping or certain gas appliances, until such person shall have secured a license as hereinafter provided, and shall have executed and delivered to the city manager a good and sufficient bond in the penal sum of \$10,000, with corporate surety, conditioned for the faithful performance of all such work, entered upon or contracted for, in strict accordance and compliance with the provisions of the gas code. The bond herein required shall expire on the first day of January next following its approval by the city recorder, and thereafter on the first day of January of each year a new bond, in form and substance as herein required, shall be given by such person to cover all such work as shall be done during such year.

(2) Upon approval of said bond, the person desiring to do such work shall secure from the **Error! Bookmark not defined.**city recorder a nontransferable license which shall run until the first day of January next succeeding its issuance, unless sooner revoked. The person obtaining a license shall pay any applicable license fees to the **Error! Bookmark not defined.**city recorder.

(3) Nothing herein contained shall be construed as prohibiting an individual from installing or repairing his own appliances or installing, extending, replacing, altering, or repairing consumer's piping on his own

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<sup>1</sup>Copies of this code (and any amendments) may be purchased from the International Code Council, 500 New Jersey Avenue NW, 6<sup>th</sup> Floor, Washington, DC 20001

premises, or as requiring a license or a bond from an individual doing such work on his own premises; provided, however, all such work must be done in conformity with all other provisions of the gas code, including those relating to permits, inspections, and fees.

**12-306. Gas inspector and assistants.** To provide for the administration and enforcement of the gas code, the office of gas inspector is hereby created. The inspector, and such assistants as may be necessary in the proper performance of the duties of the office, shall be appointed or designated by the board of commissioners.

**12-307. Powers and duties of inspector.** (1) The inspector is authorized and directed to enforce all of the provisions of the gas code. Upon presentation of proper credentials, he may enter any building or premises at reasonable times for the purpose of making inspections or preventing violations of the gas code.

(2) The inspector is authorized to disconnect any gas piping or fixture or appliance for which a certificate of approval is required but has not been issued with respect to same, or which, upon inspection, shall be found defective or in such condition as to endanger life or property. In all cases where such a disconnection is made, a notice shall be attached to the piping, fixture, or appliance disconnected by the inspector, which notice shall state that the same has been disconnected by the inspector, together with the reason or reasons therefor, and it shall be unlawful for any person to remove said notice or reconnect said gas piping or fixture or appliance without authorization by the inspector and such gas piping or fixture or appliance shall not be put in service or used until the inspector has attached his certificate of approval in lieu of his prior disconnection notice.

(3) It shall be the duty of the inspector to confer from time to time with representatives of the local health department, the local fire department, and the gas company, and otherwise obtain from proper sources all helpful information and advice, presenting same to the appropriate officials from time to time for their consideration.

**12-308. Permits.** (1) No person shall install a gas conversion burner, floor furnace, central heating plant, vented wall furnace, water heater, boiler, consumer's gas piping, or convert existing piping to utilize natural gas without first obtaining a permit to do such work from the city manager; however, permits will not be required for setting or connecting other gas appliances, or for the repair of leaks in house piping.

(2) When only temporary use of gas is desired, the recorder may issue a permit for such use, for a period of not to exceed sixty (60) days, provided the consumer's gas piping to be used is given a test equal to that required for a final piping inspection.

(3) Except when work in a public street or other public way is involved the gas company shall not be required to obtain permits to set

meters, or to extend, relocate, remove, or repair its service lines, mains, or other facilities, or for work having to do with its own gas system.

**12-309. Inspections.** (1) A rough piping inspection shall be made after all new piping authorized by the permit has been installed, and before any such piping has been covered or concealed or any fixtures or gas appliances have been attached thereto.

(2) A final piping inspection shall be made after all piping authorized by the permit has been installed and after all portions thereof which are to be concealed by plastering or otherwise have been so concealed, and before any fixtures or gas appliances have been attached thereto. This inspection shall include a pressure test, at which time the piping shall stand an air pressure equal to not less than the pressure of a column of mercury six (6) inches in height, and the piping shall hold this air pressure for a period of at least ten (10) minutes without any perceptible drop. A mercury column gauge shall be used for the test. All tools, apparatus, labor, and assistance necessary for the test shall be furnished by the installer of such piping.

**12-310. Certificates.** The inspector shall issue a certificate of approval at the completion of the work for which a permit for consumer piping has been issued if after inspection it is found that such work complies with the provisions of the gas code. A duplicate of each certificate issued covering consumer's gas piping shall be delivered to the gas company and used as its authority to render gas service.

**12-312. Nonliability.** This chapter shall not be construed as imposing upon the municipality any liability or responsibility for damages to any person injured by any defect in any gas piping or appliance mentioned herein, or by installation thereof, nor shall the municipality, or any official or employee thereof, be held as assuming any such liability or responsibility by reason of the inspection authorized hereunder or the certificate of approval issued by the inspector.

**12-311. Violations and penalty.** It shall be unlawful for any person to violate or fail to comply with any provision of the gas code as herein adopted by reference and modified. The violation of any section of this chapter shall be punishable by a penalty of up to fifty dollars (\$50.00) for each offense, or the license of such person may be revoked, or both fine and revocation of license may be imposed. Each day a violation is allowed to continue shall constitute a separate offense.

## CHAPTER 4

### RESIDENTIAL CODE

#### SECTION

12-401. Residential code adopted.

12-402. Modifications.

12-403. Violations and penalty.

**12-401. Residential code adopted.** Pursuant to authority granted by Tennessee Code Annotated §§ 6-54-501 through 6-54-506, and for the purpose of providing building, plumbing, mechanical and electrical provisions, the International Residential Code,<sup>1</sup> 2012 edition, with appendix G, exclusive of section R313.2, is adopted by reference as fully as if a copied herein in its entirety and all subsequent amendments or additions to the said code, as prepared and adopted by the International Code Council, is hereby adopted and incorporated by reference as a part of this code, and are hereinafter referred to as the residential code.

One (1) copy of the residential code shall be kept on file in the office of the city recorder for the use and inspection of the public.

**12-402. Modifications.** Wherever the residential code refers to the "Building Official," it shall mean the person appointed or designated by the mayor to administer and enforce the provisions of the residential code. Wherever the "Chief Appointing Authority" is referred to it shall mean the mayor.

**12-403. Violations and penalty.** It shall be unlawful for any person to violate or fail to comply with any provision of the residential code as herein adopted by reference and modified. The violation of any section of this chapter shall be punishable by a penalty of up to fifty dollars (\$50.00) for each offense. Each day a violation is allowed to continue shall constitute a separate offense.

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<sup>1</sup>Copies of this code (and any amendments) may be purchased from the International Code Council, 500 New Jersey Avenue NW, 6<sup>th</sup> Floor, Washington, DC 20001.

## CHAPTER 5

### ENERGY CONSERVATION CODE<sup>1</sup>

#### SECTION

12-501. Energy conservation code adopted.

12-502. Modifications.

12-503. Violations and penalty.

**12-501. Energy conservation code adopted.** Pursuant to authority granted by Tennessee Code Annotated, §§ 6-54-501 through 6-54-506, and for the purpose of regulating the design of buildings for adequate thermal resistance and low air leakage and the design and selection of mechanical, electrical, water-heating and illumination systems and equipment which will enable the effective use of energy in new building construction, the International Energy Conservation Code,<sup>2</sup> 2006 edition, and all subsequent amendments or additions to said code as prepared and adopted by International Code Council, are hereby adopted and incorporated by reference as a part of this code as fully as if herein copied verbatim hereinafter referred to as the energy code.

One (1) copy of the energy code shall be kept on file in the office of the city recorder for the use and inspection of the public.

**12-502. Modifications.** When the "Error! Bookmark not defined.Code Official" is named it shall, for the purposes of the energy code, mean such person as the city manager shall have appointed or designated to administer and enforce the provisions of the energy code.

Within the model energy code when reference is made to the duties of certain officials named therein, that designated official of City of Fairview, Tennessee who has duties corresponding to those of the named official shall be deemed to be the responsible official insofar as enforcing the provisions of the code are concerned.

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<sup>1</sup>Municipal code references

Fire protection, fireworks, and explosives: title 7.

Planning and zoning: title 14.

Streets and other public ways and places: title 16.

Utilities and services: titles 18 and 19.

<sup>2</sup>Copies of this code (and any amendments) may be purchased from the International Code Council, 500 New Jersey Avenue NW, 6<sup>th</sup> Floor, Washington, DC 20001



**12-503. Violations and penalty** It shall be unlawful for any person to violate or fail to comply with any provision of the energy code as herein adopted by reference and modified. The violation of any section of this chapter shall be punishable by a penalty of up to fifty dollars (\$50.00) for each offense. Each day a violation is allowed to continue shall constitute a separate offense.

## CHAPTER 6

### PROPERTY MAINTENANCE CODE

#### SECTION

12-601. Property maintenance code adopted.

12-602. Modifications.

12-603. Violations and penalty.

**12-601. Property maintenance code adopted.** Pursuant to authority granted by Tennessee Code Annotated, § § 6-54-501 through 6-54-506, and for the purpose of securing the public safety, health, and general welfare through structural strength, stability, sanitation, adequate light, and ventilation in dwellings, apartment houses, rooming houses, and buildings, structures, or premises used as such, the International Property Maintenance Code,<sup>1</sup> 2012 edition, and all subsequent amendments or additions to said code as prepared and adopted by the International Code Council, are hereby adopted and incorporated by reference as fully as if copied herein verbatim as a part of this code and is hereinafter referred to as the property maintenance code.

One (1) copy of the property maintenance code has been placed on file in the recorder's office and shall be kept there for the use and inspection of the public.

**12-602. Modifications** (1) Definitions. Wherever the property maintenance code refers to the "Codes Official" it shall mean the person appointed or designated by the city manager to administer and enforce the provisions of the property maintenance code. Wherever the "Department of Law" is referred to it shall mean the city attorney. Wherever the "Chief Appointing Authority" is referred to it shall mean the board of commissioners.

Within the housing code when reference is made to the duties of certain officials named therein, that designated official of City of Fairview, Tennessee who has duties corresponding to those of the named official shall be deemed to be the responsible official insofar as enforcing the provisions of the code are concerned.

**12-603. Violations and penalty.** It shall be unlawful for any person to violate or fail to comply with any provision of the property maintenance

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<sup>1</sup>Copies of this code (and any amendments) may be purchased from the International Code Council, 500 New Jersey Avenue NW, 6<sup>th</sup> Floor, Washington, DC 20001.

code as herein adopted by reference and modified. The violation of any section of this chapter shall be punishable by a penalty of up to fifty dollars (\$50.00) for each offense. Each day a violation is allowed to continue shall constitute a separate offense.

## CHAPTER 7

### MECHANICAL CODE<sup>1</sup>

#### SECTION

12-701. Mechanical code adopted.

12-702. Modifications.

12-703. Violations and penalty.

**12-701. Mechanical code adopted.** Pursuant to authority granted by Tennessee Code Annotated, §§ 6-54-501 through 6-54-506, and for the purpose of regulating the installation of mechanical systems, including alterations, repairs, replacement, equipment, appliances, fixtures, fittings and/or appurtenances thereto, including ventilating, heating, cooling, air conditioning, and refrigeration systems, incinerators, and other energy-related systems, the International Mechanical Code,<sup>2</sup> 2012 edition, and all subsequent amendments or additions to said code as prepared and adopted by the International Code Council are hereby adopted and incorporated by reference as fully as if copied herein verbatim as a part of this code.

One (1) copy of the mechanical code shall be kept on file in the office of the city recorder for the use and inspection of the public.

**12-702. Modifications.** Wherever the mechanical code refers to the "Code Official," it shall mean the person appointed or designated by the mayor to administer and enforce the provisions of the mechanical code.

**12-703. Violations and penalty.** It shall be unlawful for any person to violate or fail to comply with any provision of the mechanical code as herein adopted. The violation of any section of this chapter shall be punishable by a penalty of up to fifty dollars (\$50.00) for each offense. Each day a violation is allowed to continue shall constitute a separate offense.

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<sup>1</sup>Municipal code references

Street excavations: title 16.

Wastewater treatment: title 18.

Water and sewer system administration: title 18.

<sup>2</sup>Copies of this code (and any amendments) may be purchased from the International Code Council, 500 New Jersey Avenue NW, 6<sup>th</sup> Floor, Washington, DC 20001.

## CHAPTER 8

### ACCESSIBILITY CODE<sup>1</sup>

#### SECTION

12-801. Adoption.

12-802. Violation.

**12-801. Adoption.** Pursuant to authority granted by Tennessee Code Annotated, § 68-120-201, and for the purpose of requiring that any public building which is constructed, enlarged, or substantially altered or repaired shall be designed and constructed to make such building accessible to and useable by physically handicapped persons. The North Carolina Accessibility Code, Volume 1-C, 1996 edition with the 2002 and 2004 revisions, is hereby adopted and incorporated by reference as fully as if copied herein verbatim as a part of this Fairview Municipal Code, and is hereinafter referred to as the accessibility code.

One (1) copy of the accessibility code shall be kept on file in the office of the city recorder for the use and inspection of the public.

**12-802. Violation.** Any person who shall be adjudged to have violated any section of the accessibility code shall be guilty of a misdemeanor and shall upon conviction be liable to a fine, not to exceed fifty (\$50.00) dollars. Each day that a violation continues shall constitute a separate offense.

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<sup>1</sup>Municipal code references

Fire protection, fireworks, and explosives: title 7.

Planning and zoning: title 14.

Streets and other public ways and places: title 16.

Utilities and services: titles 18 and 19.

## CHAPTER 9

### RAPID ACCESS KEY (KNOX BOXES) CODE

#### SECTION

- 12-901. RAPID ACCESS KEY (KNOX BOXES) ADOPTED.
- 12-902. MANDATORY KEY BOXES (KNOX BOXES) FOR FIRE SUPPRESSION AND STANDPIPE SYSTEMS.
- 12-903. MANDATORY KEY BOXES (KNOX BOXES) FOR AUTOMATIC ALARM SYSTEMS.
- 12-904. MANDATORY KEY BOXES (KNOX BOXES) FOR AUTOMATIC ALARM SYSTEMS, TAMPER SWITCH.
- 12-905. MANDATORY KEY BOXES (KNOX BOXES) FOR AUTOMATIC ALARM SYSTEMS, TAMPER SWITCH, FENCES AND GATES.
- 12-906. MONITORED ALARM SYSTEMS.
- 12-907. SECURITY CAPS.
- 12-908. NON-APPLICABILITY TO CERTAIN DWELLINGS
- 12-909. RAPID RESPONSE KEY BOXES (KNOX BOX).
- 12-910. TIME FOR COMPLIANCE.
- 12-911 GENERAL PENALTY; VIOLATIONS.

**12-901. RAPID ACCESS KEY (KNOX BOXES) CODE ADOPTED.** PURSUANT TO AUTHORITY GRANTED BY TENNESSEE COD ANNOTATED, §§ 6-54-501 THROUGH 6-54-506, AND FOR THE PURPOSE OF SECURING THE PUBLIC SAFETY, HEALTH, AND GENERAL WELFARE THE FOLLOWING SECTIONS ARE HEREBY ADOPTED AND PLACED INTO AND MADE A PART OF THIS CODE WHICH IS HEREINAFTER REFERRED TO AS THE RAPID ACCESS KEY (KNOX BOXES) CODE.

#### **12-902. MANDATORY KEY BOXES (KNOX BOXES) FOR FIRE SUPPRESSION AND STANDPIPE SYSTEMS.**

1. WHEN A BUILDING WITHIN THE CITY OF FAIRVIEW, TENNESSEE IS PROTECTED BY AN AUTOMATIC FIRE SUPPRESSION OR STANDPIPE SYSTEM IT SHALL BE EQUIPPED WITH A KEY BOX (KNOX BOX). THE KEY BOX (KNOX BOX) SHALL BE AT A LOCATION APPROVED BY THE CITY OF FAIRVIEW, TENNESSEE FIRE OFFICIAL. THE KEY BOX (KNOX BOX) SHALL BE A UL TYPE AND SIZE APPROVED BY THE FIRE OFFICIAL. THE COST OF PURCHASING AND INSTALLING, ALONG WITH ANY ALONG WITH ANY COST ASSOCIATED WITH IMPLEMENTATION OF THE PROGRAM AT A SPECIFIC PROPERTY, WILL BE BORN BY THE PROPERTY OWNER.

#### **12-903. MANDATORY KEY BOXES (KNOX BOXES) FOR AUTOMATIC ALARM SYSTEMS.**

2. WHEN A BUILDING IS PROTECTED BY AN AUTOMATIC ALARM SYSTEM AND/OR ACCESS TO OR WITHIN A BUILDING, OR AN AREA WITHIN THAT BUILDING, IS UNDULY DIFFICULT BECAUSE OF SECURED OPENINGS, AND WHERE IMMEDIATE ACCESS IS NECESSARY FOR LIFE SAVING OR FIREFIGHTING PURPOSES, THE CITY OF FAIRVIEW, TENNESSEE FIRE THE OFFICIAL MAY REQUIRE A KEY BOX (KNOX BOX) TO BE INSTALLED AT A LOCATION APPROVED BY THE CITY OF FAIRVIEW, TENNESSEE FIRE OFFICIAL. THE KEY BOX (KNOX BOX) SHALL BE A UL TYPE AND SIZE APPROVED BY THE FIRE OFFICIAL. THE COST OF PURCHASING AND INSTALLING, ALONG WITH ANY COST ASSOCIATED WITH IMPLEMENTATION OF THE PROGRAM AT A SPECIFIC PROPERTY, WILL BE BORN BY THE PROPERTY OWNER.

**12-904. MANDATORY KEY BOXES (KNOX BOX) FOR AUTOMATIC ALARM SYSTEMS, TAMPER SWITCH.**

3. THE FIRE OFFICIAL MAY REQUIRE A KEY BOX (KNOX BOX) TAMPER SWITCH CONNECTED TO THE BUILDING'S FIRE ALARM SYSTEM. THE COST OF PURCHASING AND INSTALLING, ALONG WITH ANY COST ASSOCIATED WITH THE IMPLEMENTATION OF THE PROGRAM AT A SPECIFIC PROPERTY, WILL BE BORN BY THE PROPERTY OWNER.

**12-905. MANDATORY KEY BOXES (KNOX BOX) FOR AUTOMATIC ALARM SYSTEMS, FENCES AND GATES.**

4. WHEN A PROPERTY IS PROTECTED BY A LOCKED FENCE OR GATE AND WHERE IMMEDIATE ACCESS TO THE PROPERTY IS NECESSARY FOR LIFE SAVING OR FIREFIGHTING PURPOSES, THE FIRE OFFICIAL MAY REQUIRE A SECURITY PADLOCK TO BE INSTALLED AT A LOCATION APPROVED BY THE CITY OF FAIRVIEW, TENNESSEE FIRE OFFICIAL. THE PADLOCK SHALL BE UL TYPE AND SIZE APPROVED BY THE FIRE OFFICIAL. THE COST OF PURCHASING AND INSTALLING, ALONG WITH ANY COST ASSOCIATED WITH IMPLEMENTATION OF THE PROGRAM AT A SPECIFIC PROPERTY, WILL BE BORN BY THE PROPERTY OWNER.

**12-906. MONITERED ALARM SYSTEMS.**

5. ALL COMMERCIAL BUILDINGS CONSTRUCTED AFTER THE EFFECTIVE DATE OF THIS CHAPTER OF THE CITY OF FAIRVIEW, TENNESSEE MUNICIPAL CODE SHALL INSTALL A MONITERED ALARM SYSTEM. THE COST OF PURCHASING AND INSTALLING ALONG WITH ANY COST ASSOCIATED WITH IMPLEMENTATION OF THE PROGRAM AT A SPECIFIC PROPERTY, WILL BE BORN BY THE PROPERTY OWNER.

**12-907. SECURITY CAPS.**

6. WHEN A BUILDING IS PROTECTED BY AN AUTOMATIC SPRINKLER SYSTEM OR STANDPIPE SYSTEM AND THE FIRE DEPARTMENT CONNECTION IS EXPOSED TO UNDUE VANDALISM THE FIRE OFFICIAL MAY REQUIRE THAT A FIRE DEPARTMENT CONNECTION SECURITY CAP(S) BE INSTALLED. THE FIRE DEPARTMENT CONNECTION SECURITY CAP(S) SHALL BE A TYPE APPROVED BY THE FIRE OFFICIAL. THE COST OF PURCHASING AND INSTALLING, ALONG WITH ANY COST ASSOCIATED WITH IMPLEMENTATION OF THE PROGRAM AT A SPECIFIC PROPERTY, WILL BE BORN BY THE PROPERTY OWNER.

**12-908. NON-APPLICABILITY TO CERTAIN DWELLINGS.**

7. THE TERM "BUILDING" USED HEREIN MEANS ANY BUILDING OR STRUCTURE LOCATED IN THE CITY OF FAIRVIEW, TENNESSEE, WHETHER PRIVATELY OR PUBLICLY OWNED, INCLUDING, WITHOUT LIMITATION, ANY BUILDING OWNED BY THE CITY OF FAIRVIEW, TENNESSEE, OR ANY OTHER PUBLIC, QUASI-PUBLIC, OR PRIVATE ENTITY OR PERSON PROVIDED HOWEVER THAT THIS CHAPTER SHALL NOT APPLY TO OWNER OCCUPIED ONE AND TWO FAMILY DWELLINGS.

**12-909. RAPID RESPONSE KEY BOXES (KNOX BOX).**

THE RAPID KEY BOXES (KNOX BOX) SHALL CONTAIN THE FOLLOWING:

- a. KEYS TO LOCKED POINTS OF EGRESS, WHETHER IN INTERIOR OR EXTERIOR OF SUCH BUILDINGS;
- b. KEYS TO THE LOCKED MECHANICAL ROOMS ;
- c. KEYS TO THE LOCKED ELEVATOR ROOMS;
- d. KEYS TO THE ELEVATOR CONTROLS;
- e. KEYS TO AN FENCE OR SECURED AREAS;
- f. KEYS TO ANY OTHER AREAS THAT MAY BE REQUIRED BY THE FIRE OFFICIAL
- g. A ARE CONTAINING THE EMERGENCY CONTACT PEOPLE AND PHONE NUMBERS FOR SUCH BUILDING;
- h. IN ADDITION, FLOOR PLAN OF THE ROOMS WITHIN THE BUILDING MAY BE REQUIRED BY THE FIRE OFFICIAL.

**12-910. TIME FOR COMPLIANCE.**

ALL EXISTING BUILDINGS SHALL COMPLY WITH THIS ORDINANCE ONE (1) YEAR FROM ITS EFFECTIVE DATE. ALL NEWLY CONSTRUCTED BUILDINGS, NOT YET OCCUPIED OR BUILDINGS CURRENTLY UNDER CONSTRUCTION AND ALL BUILDINGS OR BUSINESSES APPLYING FOR A CERTIFICATE OF OCCUPANCY, SHALL COMPLY IMMEDIATELY.



1. GENERAL PROVISIONS. THE FOLLOWING STRUCTURES SHALL BE EQUIPPED WITH A KEY LOCK BOX AT OR NEAR THE MAIN ENTRANCE OR OTHER LOCATION AS REQUIRED BY THE FIRE CHIEF:
  - a. COMMERCIAL, RETAIL OR INDUSTRIAL STRUCTURES PROTECTED BY AN AUTOMATIC ALARM SYSTEM OR AUTOMATIC SUPPRESSION SYSTEM;
  - b. MULTIFAMILY RESIDENTIAL STRUCTURES THAT HAVE RESTRICTED ACCESS THROUGH LOCKED DOORS AND HAVE A COMMON CORRIDOR FOR ACCESS TO THE LIVING UNITS; AND
  - c. GOVERNMENTAL STRUCTURES AND NURSING CARE FACILITIES.

**12-911. GENERAL PENALTY; VIOLATIONS.**

ANY AND ALL VIOLATIONS OF THIS SECTION OF THE CITY OF FAIRVIEW, TENNESSEE MUNICIPAL CODE SHALL BE A CIVIL OFFENSE PUNISHABLE BY A CIVIL PENALTY/FINE OF NOT MORE THAN FIFTY (\$50.00) DOLLARS AND COSTS FOR EACH SEPARATE VIOLATION. EACH DAY ANY VIOLATION OF THIS SECTION OF THE CITY OF FAIRVIEW, TENNESSEE MUNICIPAL CODES CONTINUES SHALL CONSTITUTE A SEPARATE CIVIL OFFENSE.

**CHAPTER 9**

Added to Code by Ordinance \_\_\_\_\_, Dated \_\_\_\_\_

**CHAPTER 10**

**(DELETED)**

**CHAPTER 11**

**(DELETED)**

**THEREFORE BE IT ORDAINED**, by the Fairview Board of Commissioners that the Fairview Municipal Code, be amended to include this Ordinance as amended.

**BE IT FURTHER ORDAINED**, If any sentence, clause, phrase or paragraph of this Ordinance is declared to be unconstitutional by any Court of competent jurisdiction, such holding will not affect any other portion of this Ordinance.

**BE IT FINALLY ORDAINED**, that this Ordinance shall take effect fifteen days (15) days after its first passage or upon second reading, whichever is later, the public welfare requiring it.

\_\_\_\_\_  
**MAYOR**

\_\_\_\_\_  
**CITY RECORDER**

**APPROVED AS TO FORM:**

\_\_\_\_\_  
**CITY ATTORNEY**

**Passed First Reading** \_\_\_\_\_

**Passed Second Reading** \_\_\_\_\_

**Public Hearing Held** \_\_\_\_\_