

**TITLE III ADMINISTRATION
CHAPTER 34: FINANCE AND REVENUE**

ARTICLE I GENERAL FISCAL POLICIES

34.01 PURPOSE..... 3
34.02 COLLECTION OF FUNDS 3
34.03 DISBURSEMENTS 3
34.04 ESTABLISHMENT AND ACTIVATION OF FUNDS 3
34.05 BUDGETS..... 3
34.06 AUDITING 3
34.07 ADOPTION OF RULES AND REGULATIONS..... 3
34.08-34.19 RESERVED 4

ARTICLE II PURCHASE AND SALE OF CITY PROPERTY; CONTRACTS

34.20 DEFINITIONS 4
34.21 COMPLIANCE 4
34.22 PURCHASING AND CONTRACTING AGENT..... 4
34.23 PURCHASES AND CONTRACTS NOT IN EXCESS OF \$20,000.00 4
34.24 REPEALED..... 5
34.25 SALES 5
34.26 AUTHORITY OF CITY EMPLOYEE TO CONTRACT WITH THE CITY 5
34.27 SALE OF MUNICIPALLY OWNED REAL PROPERTY 5
34.28 PURCHASE BY REVERSE INTERNET AUCTION 6
34.29-34.99 RESERVED 6

FAYETTEVILLE CODE OF ORDINANCES
TITLE III ADMINISTRATION

FAYETTEVILLE CODE OF ORDINANCES
TITLE III ADMINISTRATION

CHAPTER 34: FINANCE AND REVENUE

**ARTICLE I
GENERAL FISCAL POLICIES**

34.01 Purpose

It is the will and purpose of the City Council that all funds collected by the city shall be duly levied and deposited in the Department of Finance, that all disbursements by the city shall be in accordance with the rules and regulations adopted by the City Council, and that proper plans for the development of municipal services by all departments of municipal government shall be formulated and articulated in the adoption of an annual report.

(Code 1965, §2-47; Ord. No. 1382, 1-13-64; Code 1991, §34.01)

State law reference(s)--Fiscal year provided, A.C.A. §14-71-102.

34.02 Collection Of Funds

All funds accruing to the city from any and all sources shall be paid into the Department of Finance. It shall be the responsibility of the Department of Finance, to perform such collections in a manner consistent with good accounting practices and in accordance with the rules and regulations governing the collection of funds that are developed by the department of finance and approved by the City Council.

(Code 1965, §2-48; Ord. No. 1382, 1-13-64; Code 1991, §34.02)

34.03 Disbursements

All funds disbursed by the city shall be made by check, signed by the mayor, indicating his approval of the expenditures, and countersigned by the accounting supervisor or other appropriate city official, indicating that the amount expended is in complete compliance with all rules and regulations governing the purchase of materials and/or services as adopted by the City Council.

(Code 1965, §2-49; Ord. No. 1382, 1-13-64; Code 1991, §34.03)

34.04 Establishment And Activation Of Funds

The City Council, upon recommendation of the mayor and the department of finance and in accordance with good municipal accounting practices, shall establish specific funds into which all receipts shall be deposited. All funds shall be established and activated by rules and regulations adopted by the City

Council governing collections for the city.
(Code 1965, §2-50; Ord. No. 1382, 1-13-64; Code 1991, §34.04)

34.05 Budgets

- (A) The mayor shall prepare the municipal budget annually and submit it to the City Council for its approval or disapproval and be responsible for its administration after adoption.
- (B) The approval by the City Council of the budget shall amount to an appropriation for the purpose of the budget of funds which are lawfully applicable to the items therein contained. The City Council may alter or revise the budget from time to time and unpledged funds appropriated by the City Council for any purposes may be subsequently, by action of the City Council, appropriated to another purpose, subject to the following exceptions:
 - (1) Funds resulting from taxes levied under statutes or ordinances for specific purposes may not be diverted to another purpose.
 - (2) Appropriated funds may not be diverted to another purpose where any creditor of the city would be prejudiced thereby.

(Code 1965, §2-51; Ord. No. 1215, 9-14-59; Ord. No. 1382, 1-13-64; Code 1991, §34.05)

State law reference(s)--Budgets in Mayor-Council municipalities, A.C.A. §14-58-201 et seq.

34.06 Auditing

The City Council shall have the financial affairs of the city audited annually by an independent certified public accountant who is not otherwise in the service of the city, or by the municipal audit division of the state.

(Code 1965, §2-52; Ord. No. 1215, 9-14-59; Ord. No. 1382, 1-13-64; Code 1991, §34.06)

State law reference(s)--A.C.A. §14-58-101, Audit by independent accountant.

34.07 Adoption Of Rules And Regulations

- (A) The City Council shall adopt from time to time, by resolution, rules and regulations submitted by the Department of Finance covering the collection,

FAYETTEVILLE CODE OF ORDINANCES
TITLE III ADMINISTRATION

expending, and auditing of all funds of the city.

- (B) The City Council shall also enact, by resolution, rules and regulations submitted by the mayor and the finance committee concerning budgeting, investment of funds, supplemental appropriation of unallocated funds and any other areas of fiscal control not specifically assigned to the Department of Finance.

(Code 1965, §2-53; Ord. No. 1382, 1-13-64; Code 1991, §34.07)

34.08-34.19 Reserved

**ARTICLE II
PURCHASE AND SALE OF
CITY PROPERTY; CONTRACT**

34.20 Definitions

For the purpose of this article the following definitions shall apply unless the context clearly indicates or requires a different meaning.

Duly authorized representative: Any city employee so designated by the mayor.

Lowest responsible bidder: The bidder, as determined by the mayor, or his duly authorized representative, after considering all the facts and circumstances in the best interests of the city.

(Code 1965, §2-64; Ord. No. 1215, 9-14-59; Ord. No. 1687, 7-21-69; Code 1991, §34.20)

34.21 Compliance

In order to purchase supplies, apparatus, equipment, materials, and other things requisite for public purposes in and for the city, and to make all necessary contracts for work or labor to be done, or materials or other necessary things to be furnished for the benefit of the city, or in carrying out any work or undertaking of a public nature therein, the procedure to be followed shall be as set forth in this article; provided, however, that the City Council may waive the requirements of competitive bidding in exceptional situations where such procedures are deemed not feasible nor practical.

(Code 1965, §2-65; Ord. No. 1215, 9-14-59; Ord. No. 1687, 7-21-69; Code 1991, §34.21)

34.22 Purchasing And Contracting Agent

The mayor, or his duly authorized representative, shall be the purchasing and contracting agent for the city. He/She shall purchase all supplies, apparatus, equipment, materials, and other things requisite for

public purposes in and for the city and may execute contracts to effect such purchases. The mayor shall also be the contracting agent for the city and shall enter into and execute all contracts for services, for the lease of land, the sale or exchange of personal property owned by the city, and for the construction of municipal improvements. All such purchases and contracts shall be subject to prior appropriations, in the budget approved by the City Council, or to other authorization of expenditures therefor, approved by the Council.

(Code 1965, §2-66; Ord. No. 1215, 9-14-59; Ord. No. 1687, 7-21-69; Ord. No. 3453, 9-5-89; Code 1991, §34.22)

34.23 Purchases And Contracts Not In Excess Of \$20,000.00

- (A) All such purchases not in excess of \$20,000.00 shall be made by the mayor, or his duly authorized representative, after the securing and recording of quotation bids therefor; provided quotation bids need not be secured for purchases under \$1,000.00.

- (B) Cost-share agreements with developers or governmental entities for the improvement of City infrastructure are expressly exempt from the requirements of this section. The City Council shall signify its approval of cost-share agreements by Resolution.

- (C) Contracts not in excess of \$20,000.00 shall be made and entered into by the mayor. The mayor shall have the authority to approve contract change orders up to the contingency amount, if any, as set forth in any approved contract even though such contingency amount may exceed \$20,000.00.

- (D) The hiring of engagement of professional services shall be conducted according to a professional hiring policy approved by the City Council.

- (E) *Sole Source Provider.* Multiple quotation bids shall not be required if the Purchasing Manager approves the Sole Source Justification form signed by the requesting Division Head for an item that is uniquely compatible with existing equipment or has unique and essential design or performance features.

(Code 1965, §2-67; Ord. No. 1215, 9-14-59; Ord. No. 1687, 7-21-69; Ord. No. 2259, 8-3-76; Ord. No. 3400, 1-3-89; Ord. No. 3453, 9-5-89; Ord. No. 3676, 2-17-93; Ord. No. 3719, 7-6-93; Code 1991, §34.23; Ord. No. 4722, 7-19-05; Ord. No. 4901, 7-18-06; Ord 4963, 12-19-06)

FAYETTEVILLE CODE OF ORDINANCES
TITLE III ADMINISTRATION

34.24 Repealed

34.25 Sales

- (A) The purchasing agent may sell or exchange any city-owned supplies, equipment, or materials if such have a fair market value of less than \$2,500.00 through a quote process. Vehicles and heavy equipment are excluded from this process.
- (B) Such supplies, equipment, or materials which have a fair market value of \$2,500.00 or more may be sold by the purchasing agent by public auction or by contract sale after formal competitive bids for the purchase therefore have been solicited by advertisement and by other means and such bids have been received and opened.
- (C) The City Council may waive the requirements for public auction or formal competitive bids for sales of personal property in exceptional situations where such procedures are deemed not feasible nor practical.

(Code 1965, §2-69; Ord. No. 1215, 9-14-59; Ord. No. 1827, 10-4-71; Ord. No. 2006, 5-7-74; Ord. No. 3545, 4-16-91; Code 1991, §34.25; Ord. 4553, 04-06-04; Ord. 4723, 7-19-05)

34.26 Authority Of City Employee To Contract With The City

An employee of the city shall be permitted to conduct business with the city, provided the contract or job is for services, is submitted as a competitive bid, is approved by the City Council following disclosure of the direct or indirect financial interest of the individual employee, and the total sum payable under the contract does not exceed \$500.00.

(Code 1965, §2-70; Ord. No. 3013, 6-5-84; Code 1991, §34.26)

State law reference(s)--Purchase, lease and sale authorized, A.C.A. §14-54-302.

34.27 Sale Of Municipally Owned Real Property

- (A) Municipally owned real property shall not be offered for sale without the express authorization, by resolution, of the City Council. The City Council shall determine whether the property should be rezoned prior to offering it for sale.
- (B) Such resolutions shall contain a specific finding

by the City Council that the subject real property no longer serves a municipal purpose.

- (C) Two simultaneous and independent appraisals of the real property shall be obtained by the city for the City Council's consideration, dated within six months of the proposed sale.
- (D) Public notice shall be given not less than thirty calendar days before the first City Council meeting at which such a resolution is introduced, by all of the following means:
 - (1) A conspicuous display advertisement placed in a newspaper of general circulation in the city, on at least four separate occasions;
 - (2) Certified mail, return receipt requested, to all adjacent property owners; and
 - (3) Signs, prominently displayed, and at all approaches to the subject real property, announcing that the City Council will be considering the sale of the real property, the date on which the sale is to be debated, as well as the telephone number of the mayor's office.
- (E) Upon an affirmative vote of the City Council, the city shall solicit sealed bids, at a minimum price set by the City Council, from all interested parties. Bids must equal or exceed the minimum price set by the City Council and the appraised value of the property.
- (F) The city shall sell the subject real property to the highest qualified bidder. In the event none of the bids from a qualified bidder equals the minimum price set by the City Council, the city shall reject all bids, and may reopen the bidding, upon City Council approval.
- (G) Upon receipt of an acceptable bid, and authorization by a separate resolution of the City Council, the conveyance of the real property shall be performed by the mayor and city clerk.
- (H) Exemptions from the requirements of this ordinance:
 - (1) The sale of the industrial park, business park, and technology park lands are expressly exempt from the provisions of this ordinance. Industrial park land includes all of the land in and around the South Industrial park as specifically identified within the black bold line on the map attached as Exhibit A.

FAYETTEVILLE CODE OF ORDINANCES
TITLE III ADMINISTRATION

- (2) The sale of real property to other public entities or to a non-profit corporation for charitable purposes shall only require a single appraisal, a single display advertisement placed in a newspaper of general circulation in the city, the certified mail, and sign requirements set forth in subsections (D)(2) & (3). Following the setting of a minimum price by the City Council no lower than the appraised value, the public entity or non-profit corporation may purchase the property at that price, and the sale shall be exempt from the provisions of subsections (E), (F) & (G) of this ordinance.
- (3) If the City Council has approved by ordinance the Project Plan for a Redevelopment District that includes the acquisition of real property or buildings with the intent to resell this property to a private developer, this acquired property shall be exempt from the requirements of this section and can be sold by City Council Resolution.
- (4) The dedication of real property to the Arkansas State Highway Commission shall be exempt from the requirements of this section and may be dedicated by City Council Resolution.

Note--Ord. 4380, adopted March 19, 2002, enacts provisions for exemptions from the requirements of ordinance; such provisions have been set forth above. This ordinance was enacted with an Exhibit A attached thereto and may be viewed in the office of the city clerk anytime during regular business hours.

(Ord. No. 4358, 1-2-02; Ord. No. 4380, §1, (Ex. A), 3-19-02; Ord. No. 4651, 12-07-04; Ord. 4752, 9-06-05)

State law reference(s)--Purchase, lease and sale authorized, A.C.A. §14-54-302; Bidding process, A.C.A. §14-54-402.

34.28 Purchase By Reverse Internet Auction

- (A) Bidders shall be provided instructions and individually secured passwords for access to the reverse Internet auction by either the City, or reverse Internet auction vendor;
- (B) The bidding process shall be timed, and the time shall be part of the reverse Internet auction specifications;

- (C) The reverse Internet auction shall be held at a specific date and time;
- (D) The reverse Internet auction and bidding process shall be interactive with each bidder able to make multiple bids during the allotted time;
- (E) Each bidder shall be continually signaled his or her relative position in the bidding process;
- (F) Bidders shall remain anonymous and shall not have access to other bidders or bids; and
- (G) The City Council shall have access to real-time data including all bids and bid amounts.
- (H) The City is authorized to pay a reasonable fee to the reverse Internet auction vendor.
 - (1) The fee may be included as part of the bids received during the reverse Internet auction and paid by the winning bidder or paid separately by the City.
 - (a) The City Council retains the right to:
 - (i) Refuse all bids made during the reverse Internet auction; and
 - (ii) Begin the reverse Internet auction process anew if the City Council determines it is in the best interest of the city or town.

(Ord. 4724, 7-19-05)

34.29-34.99 Reserved