

ORDINANCE No. 2018-6

**AN ORDINANCE OF THE
TOWN OF ALEXANDRIA, TENNESSEE
ADOPTING THE ANNUAL BUDGET AND TAX RATE
FOR THE FISCAL YEAR BEGINNING JULY 1, 2019 AND ENDING JUNE 30, 2020**

WHEREAS, Tennessee Code Annotated § 9-1-116 requires that all funds of the State of Tennessee and all its political subdivisions shall first be appropriated before being expended and that only funds that are available shall be appropriated; and

WHEREAS, the Municipal Budget Law of 1982 requires that the governing body of each municipality adopt and operate under an annual budget ordinance presenting a financial plan with at least the information required by that state statute, that no municipality may expend any moneys regardless of the source except in accordance with a budget ordinance and that the governing body shall not make any appropriation in excess of estimated available funds; and

WHEREAS, the Board of Mayor and Aldermen has published the annual operating budget and budgetary comparisons of the proposed budget with the prior year (actual) and the current year (estimated) in a newspaper of general circulation not less than ten (10) days prior to the meeting where the Board will consider final passage of the budget.

NOW THEREFORE BE IT ORDAINED BY THE BOARD OF MAYOR AND ALDERMEN OF THE TOWN OF ALEXANDRIA, TENNESSEE AS FOLLOWS:

SECTION 1: That the governing body projects anticipated revenues from all sources and appropriates planned expenditures for each department, board, office or other agency of the municipality, herein presented together with the actual annual receipts and expenditures of the last preceding fiscal year and the estimated annual expenditures for the current fiscal year, and from those revenues and unexpended and unencumbered funds as follows for fiscal year 2019, and including the projected ending balances for the budget year, the actual ending balances for the most recent ended fiscal year and the estimated ending balances for the current fiscal years:

| GENERAL FUND | Actual FY 2018 | Estimated Actual FY 2019 | Budget FY 2020 |
|---|---------------------------|---|---------------------------|
| Cash Receipts | | | |
| Local Taxes | \$ 245,721 | \$ 268,376 | \$ 253,300 |
| Licenses And Permits | 300 | 800 | 300 |
| Intergovernmental | 147,497 | 188,521 | 154,215 |
| Charges For Services | - | - | - |
| Fines And Forfeitures | 20,329 | 30,000 | 45,000 |
| Miscellaneous | 25,735 | 10,483 | 5,500 |
| Uses of Money And Property | - | - | - |
| Debt Proceeds | - | - | - |
| Transfers In - from other funds | - | - | - |
| Total Cash Receipts | \$ 439,582 | \$ 498,180 | \$ 458,315 |
| Appropriations | | | |
| Department of Administration | \$ 93,367 | \$ 103,891 | \$ 114,069 |
| Police Department | 160,331 | 191,456 | 223,950 |
| Police Department - Capital Outlay | - | - | 35,000 |
| Fire Department | 8,289 | 14,778 | 16,300 |
| Fire Department - Capital Outlay | - | 60,000 | - |
| Office of Building Inspector | - | - | - |
| Parks Department | - | - | - |
| Debt Service | 67,920 | 49,412 | 29,412 |
| Senior Citizens Center | 7,984 | 5,806 | 6,010 |
| Streets Department | 56,181 | 60,645 | 61,160 |
| Streets Department - Capital Outlay | 4,500 | - | - |
| Transfers Out - to other funds | - | 5,000 | 5,000 |
| Total Appropriations | \$ 398,572 | \$ 490,988 | \$ 490,901 |
| Change in Cash (Receipts - Appropriations) | 41,010 | 7,192 | (32,586) |
| Beginning Cash Balance July 1 | 334,221 | 375,231 | 382,423 |
| Ending Cash Balance June 30 | \$ 375,231 | \$ 382,423 | \$ 349,837 |
| Ending Cash as a % of Total Cash Payments/Appropriations | 94.1% | 77.9% | 71.3% |

| DRUG FUND | Estimated | | Budget FY 2020 |
|---|-------------------|-------------------|-------------------|
| | Actual FY 2018 | Actual FY 2019 | |
| Cash Receipts | | | |
| Fines And Forfeitures | \$ 3,289 | \$ 725 | \$ - |
| Transfer In - General | | \$ 5,000 | \$ 5,000 |
| Misc | 15 | 1,432 | |
| Total Cash Receipts | \$ 3,304 | \$ 7,157 | \$ 5,000 |
| Appropriations | | | |
| Drug Enforcement | \$ 2,345 | \$ - | \$ 5,000 |
| Equipment | | \$ 1,826 | |
| Capital Outlay | - | 3,760 | 12,000 |
| Total Appropriations | \$ 2,345 | \$ 5,586 | \$ 17,000 |
| Change in Cash (Receipts - Appropriations) | 959 | 1,571 | (12,000) |
| Beginning Cash Balance July 1 | 14,916 | 15,875 | 17,446 |
| Ending Cash Balance June 30 | \$ 15,875 | \$ 17,446 | \$ 5,446 |
| Ending Cash as a % of Total Cash Payments/Appropriations | 677.0% | 312.3% | 32.0% |

| WATER & SEWER FUND | Estimated | | Budget FY 2020 |
|---|-------------------|-------------------|-------------------|
| | Actual FY 2018 | Actual FY 2019 | |
| Cash Receipts | | | |
| Water Sales | \$ 678,683 | \$ 586,672 | \$ 681,394 |
| Sewer Fees | - | 133,370 | 193,514 |
| Water Tap Fee | 24,000 | 35,500 | 12,500 |
| Sewer Tap Fee | - | 30,000 | 15,000 |
| Sale of Equipment | - | - | - |
| Miscellaneous Other Fees | - | - | - |
| Debt Proceeds | - | - | - |
| Grant Proceeds | - | - | - |
| Interfund Note Payment | 16,392 | 14,456 | - |
| Total Cash Receipts | \$ 719,075 | \$ 799,998 | \$ 902,408 |
| Appropriations | | | |
| Administrative Department | \$ 61,495 | \$ - | \$ - |
| Water Department | 466,580 | 549,584 | 533,516 |
| Sewer Department | 123,725 | 147,394 | 151,273 |
| Water - Capital Projects | | 11,800 | 6,000 |
| Sewer - Capital Projects | 9,776 | | 12,000 |
| Water Debt Service - Principal | 28,043 | 20,700 | 14,742 |
| Water Debt Service - Interest | 30,205 | 13,962 | 12,880 |
| Sewer Debt Service - Principal | | 9,155 | 9,575 |
| Sewer Debt Service - Interest | - | 14,701 | 14,281 |
| Total Appropriations | \$ 719,824 | \$ 767,296 | \$ 754,267 |
| Change in Cash (Receipts - Appropriations) | (749) | 32,702 | 148,141 |
| Beginning Cash Balance July 1 | 197,538 | 196,789 | 229,491 |
| Ending Cash Balance June 30 | \$ 196,789 | \$ 229,491 | \$ 377,632 |
| Ending Cash as a % of Total Cash Payments/Appropriations | #DIV/0! | 1561.1% | 2644.3% |

SECTION 2: At the end of the fiscal year 2019, the governing body estimates fund balances or deficits as follows:

| Fund | Estimated Fund Balance at June 30, 2019 |
|----------------------|--|
| General Fund | \$ 349,750 |
| Drug Fund | \$ 5,446 |
| Water and Sewer Fund | \$ 377,632 |

SECTION 3: That the governing body herein certifies that the condition of its sinking funds, if applicable, are compliant pursuant to its bond covenants, and recognizes that the municipality has outstanding bonded and other indebtedness as follows:

| Bonded or Other Indebtedness | Debt Authorized and Unissued | Principal Outstanding at June 30, 2019 | FY2020 Principal Payment | FY2020 Interest Payment |
|--|------------------------------|--|--------------------------|-------------------------|
| Bonds - | | | | |
| Revenue Bonds, Water, Series 1987 | \$ - | \$ 5,493 | \$ 5,493 | \$ 73 |
| Revenue Bonds, Water, Series 1999 | \$ - | \$ 64,002 | \$ 2,342 | \$ 2,962 |
| Revenue Bonds, Sewer, Series 2001 | \$ - | \$ 246,851 | \$ 7,367 | \$ 10,981 |
| Revenue Bonds, Sewer, Series 2001A | \$ - | \$ 74,179 | \$ 2,208 | \$ 3,300 |
| Revenue Bonds, Water, Series 2013 | \$ - | \$ 371,103 | \$ 6,907 | \$ 9,845 |
| General Obligation, Street Paving, Series 2014 | \$ - | \$ 298,203 | \$ 17,282 | \$ 12,130 |

SECTION 4: During the coming fiscal year (2020) the governing body has pending and planned capital projects with proposed funding as follows:

| Pending Capital Projects | Pending Capital Projects - Total Expense | Pending Capital Projects Expense Financed by Estimated Revenues and/or Reserves | Pending Capital Projects Expense Financed by Debt Proceeds |
|-------------------------------|--|---|--|
| General Fund | | | |
| Police Vehicle | \$ 35,000.00 | \$ 35,000.00 | \$ - |
| Water and Sewer Fund | | | |
| Sewer Plant Equipment Upgrade | \$ 12,000.00 | \$ 12,000.00 | \$ - |
| Water Meters | \$ 6,000.00 | \$ 6,000.00 | \$ - |

| Proposed Future Capital Projects | Proposed Future Capital Projects - Total Expense | Proposed Future Capital Projects Expense Financed by Estimated Revenues and/or Reserves | Proposed Future Capital Projects Expense Financed by Debt Proceeds |
|----------------------------------|--|---|--|
| Water and Sewer Fund | | | |
| Sewer Plant & Collection System | \$ 1,350,000.00 | \$ - | \$ 1,350,000.00 |
| Water Pump Motor Upgrade | \$ 30,000.00 | \$ 30,000.00 | \$ - |
| Water Meters | \$ 24,000.00 | \$ 24,000.00 | \$ - |

SECTION 5: No appropriation listed above may be exceeded without an amendment of the budget ordinance as required by the Municipal Budget Law of 1982 (TCA § 6-56-208). In addition, no appropriation may be made in excess of available funds except to provide for an actual emergency threatening the health, property or lives of the inhabitants of the municipality and declared by a two-thirds (2/3) vote of at least a quorum of the governing body in accord with Tennessee Code Annotated § 6-56-205.

SECTION 6: Money may be transferred from one appropriation to another in the same fund in an amount of up to \$ 1000.00 by the Mayor, subject to such limitations and procedures as set by the Board of Mayor and Aldermen pursuant to Tennessee Code Annotated § 6-56-209. Any resulting transfers shall be reported to the governing body at its next regular meeting and entered into the minutes.

SECTION 7: A detailed financial plan will be attached to this budget and become part of this budget ordinance. In addition, the published operating budget and budgetary comparisons shown by fund with beginning and ending fund balances and the number of full time equivalent employees required by Tennessee Code Annotated § 6-56-206 will be attached.

SECTION 8: There is hereby levied a property tax of \$.7944 per \$100 of assessed value on all real and personal property.

SECTION 9: This annual operating and capital budget ordinance and supporting documents shall be submitted to the Comptroller of the Treasury or Comptroller's Designee for approval if the City has debt issued pursuant to Title 9, Chapter 21 of the Tennessee Code Annotated within fifteen (15) days of its adoption. This budget shall not become the official budget for the fiscal year until such budget is approved by the Comptroller of the Treasury or Comptroller's Designee in accordance with Title 9, Chapter 21 of the Tennessee Code Annotated (the

“Statutes”.) If the Comptroller of the Treasury or Comptroller’s Designee determines that the budget does not comply with the Statutes, the Governing Body shall adjust its estimates or make additional tax levies sufficient to comply with the Statutes or as directed by the Comptroller of the Treasury or Comptroller’s Designee. If the City does not have such debt outstanding, it will file this annual operating and capital budget ordinance and supporting documents with the Comptroller of the Treasury or Comptroller’s Designee.

SECTION 10: All unencumbered balances of appropriations remaining at the end of the fiscal year shall lapse and revert to the respective fund balances.

SECTION 11: All ordinances or parts of ordinances in conflict with any provision of this ordinance are hereby repealed.

SECTION 12: This ordinance shall take effect July 1, 2019, the public welfare requiring it.

Passed First Reading May 28 , 2019

Passed Second Reading June 25 , 2019

MAYOR

CITY RECORDER