

ORDINANCE No. 2023-156

**AN ORDINANCE OF THE
TOWN OF PEGRAM, TENNESSEE
ADOPTING THE ANNUAL BUDGET AND TAX RATE
FOR THE FISCAL YEAR BEGINNING JULY 1, 2023 AND ENDING JUNE 30, 2024**

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 Governing Body 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 meeting where the Board will consider final passage of the budget.

NOW THEREFORE BE IT ORDAINED BY THE GOVERNING BODY OF THE TOWN OF PEGRAM, 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 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 2024, 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 2022	Estimated FY 2023	Budget FY 2024
Revenues			
Local Taxes	\$ 673,968	\$ 695,471	\$ 692,000
Intergovernmental	300,832	261,375	280,512
Licenses and Permits	18,488	22,526	16,000
Miscellaneous Revenue	10,912	13,094	8,000
Other Financing Sources			
Debt Proceeds	-	-	-
Transfers In - from other funds	-	-	-
Total Revenues and Other Financing Sources	\$ 1,004,200	\$ 992,466	\$ 996,512
Expenditures			
General Government	\$ 388,385	\$ 725,480	\$ 535,675
Public Safety	-	25,000	86,037
Public Works	194,514	101,262	171,650
Parks	51,300	39,957	96,150
Other Financing Uses			

Transfers Out - to other funds	-	-	23,100
Total Appropriations	\$ 634,199	\$ 891,699	\$ 912,612
Change in Fund Balance (Revenues - Appropriations)	370,001	100,767	83,900
Beginning Fund Balance July 1	2,021,271	2,391,272	2,492,039
Ending Fund Balance June 30	\$ 2,391,272	\$ 2,492,039	\$ 2,575,939
Ending Fund Balance as a % of Total Appropriations	377.1%	279.5%	282.3%

STATE STREET AID FUND

	Actual FY 2022	Estimated FY 2023	Budget FY 2024
Revenues			
State Gas and Motor Fuel Taxes	\$ 74,056	\$ 75,303	\$ 74,600
Miscellaneous Revenue	81	88	100
Other Financing Sources			
Transfers In - from other funds	-	-	-
Total Revenues and Other Financing Sources	\$ 74,137	\$ 75,391	\$ 74,700
Appropriations			
Public Works Department	\$ 38,346	\$ 38,470	\$ 74,700
Transfers Out - to other funds	-	-	-
Total Appropriations	\$ 38,346	\$ 38,470	\$ 74,700
Change in Fund Balance (Revenues - Appropriations)	35,791	36,921	-
Beginning Fund Balance July 1	135,872	171,663	208,584
Ending Fund Balance June 30	\$ 171,663	\$ 208,584	\$ 208,584
Ending Fund Balance as a % of Total Appropriations	447.7%	542.2%	279.2%

SEWER FUND

	Actual FY 2022	Estimated FY 2023	Budget FY 2024
Operating Revenues			
Sewer Sales	187,155	188,159	193,500
Tap Fees	3,325	5,500	8,250
Miscellaneous Revenue	-	-	-
Total Operating Revenues	\$ 190,480	\$ 193,659	\$ 201,750
Operating Expenses			
Sewer Department	\$ 50,163	\$ 68,432	\$ 149,450
Depreciation	48,190	48,190	48,190
Total Operating Expenses	\$ 98,353	\$ 116,622	\$ 197,640
Operating Income (Loss)	\$ 92,127	\$ 77,037	\$ 4,110
Non-Operating Revenues (Expenses)			
Revenue: Interest Income	\$ 1,303	\$ 259	\$ 300
Grants - Operating	\$ -	\$ -	\$ -
Other Income	\$ -	\$ -	\$ -
Expense: Debt Service - Interest Expense	\$ (3,048)	\$ (2,952)	\$ (2,748)
Other Expense	\$ -	\$ -	\$ -
Total Non-Operating Revenue (Expenses)	\$ (1,745)	\$ (2,693)	\$ (2,448)
Income (Loss) Before Capital Contributions and Transfers	\$ 90,382	\$ 74,344	\$ 1,662

Capital Contributions and Transfers			
Capital Contributions - Tap Fees in Excess of Cost	\$ -	\$ -	\$ -
Capital Contributions - Grants	-	-	500,000
Capital Contributions - Other	-	-	-
Transfers In - From Other Funds	-	-	-
Transfers Out - To Other Funds (PILOT)	-	-	-
Total Capital Contributions and Transfers	\$ -	\$ -	\$ 500,000
Change in Net Position	90,382	74,344	501,662
Beginning Net Position July 1	785,994	876,376	950,720
Ending Net Position June 30	\$ 876,376	\$ 950,720	\$ 1,452,382

FIRE DEPARTMENT FUND	Actual FY 2022	Estimated FY 2023	Budget FY 2024
Revenues			
Fire Tax	\$ 161,823	\$ 161,824	\$ 173,350
Intergovernmental	137,112	109,128	138,260
Miscellaneous Revenue	1,823	1,786	1,300
Other Financing Sources			
Transfers In - from other funds	-	-	23,100
Total Revenues and Other Financing Sources	\$ 300,758	\$ 272,738	\$ 336,010
Appropriations			
Fire Department	\$ 259,664	\$ 269,979	\$ 357,896
Capital Expenditures	-	-	-
Total Appropriations	\$ 259,664	\$ 269,979	\$ 357,896
Change in Fund Balance (Revenues - Appropriations)	41,094	2,759	(21,886)
Beginning Fund Balance July 1	256,984	298,078	300,837
Ending Fund Balance June 30	\$ 298,078	\$ 300,837	\$ 278,951
Ending Fund Balance as a % of Total Appropriations	114.8%	111.4%	77.9%

SECTION 2: At the end of the fiscal year 2023, the governing body estimates fund balances or deficits as follows:

Fund	Estimated Fund Balance/ Net Position at June 30, 2023
General	\$ 2,492,039
State Street Aid Fund	208,584
Sewer Fund	950,720
Fire Department Fund	300,837

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:

	Principal	FY 2024	FY 2024
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Bonded or Other Indebtedness	Debt Authorized and Unissued	Outstanding at June 30, 2023	Principal Payment	Interest Payment
Bonds - [enter each series individually]	\$ -	\$ -	\$ -	\$ -
Loan Agreements - Sewer - SRFL	-	263,848	21,012	2,748
Notes - Fire Dept Capital Outlay Note, Series 20	-	91,740	91,740	5,048
Capital Leases - [enter each series individually]	-	-	-	-

SECTION 4: During the coming fiscal year (2024) the governing body has pending and planned capital projects with proposed funding as follows:

Pending Capital Projects	Total Expense	Financed by Estimated Revenues and/or Reserves	Financed by Debt Proceeds
Sewer Plant Upgrade	\$ 500,000	\$ 500,000	\$ -

Pending Future Capital Projects	Total Expense	Financed by Estimated Revenues and/or Reserves	Financed by Debt Proceeds
[enter each project individually]	\$ -	\$ -	\$ -

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 fund 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 \$5,000 by the Mayor, subject to such limitations and procedures as set by the governing body 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 \$0.4839 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 Town 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 Town 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, 2023, the public welfare requiring it.

Passed 1st Reading: May 15, 2023

Public Hearing June 26, 2023

Passed 2nd Reading: June 26, 2023

Mayor

ATTESTED:

Jana Morehead

City Recorder



Cindy Beirnes

