ORDINANCE No. 2024-162

**AN ORDINANCE OF THE
TOWN OF PEGRAM, TENNESSEE
ADOPTING THE ANNUAL BUDGET AND TAX RATE
FOR THE FISCAL YEAR BEGINNING JULY 1, 2024 AND ENDING JUNE 30, 2025**

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 2025, and including the projected ending balances for the budget year, the actual ending balances for the most rececnt ended fiscal year and the estimated ending balances for the current fiscal years:

GENERAL FUND	Actual FY 2023	Estimated FY 2024	Budget FY 2025
Revenues			
Local Taxes	$ 699,478	$ 721,861	$ 720,133
Intergovernmental	278,838	278,514	291,717
Licenses and Permits	16,288	26,084	17,000
Miscellaneous Revenue	42,471	50,760	61,102
Other Financing Sources			
Debt Proceeds	-	-	-
Transfers In - from other funds	-	-	-
Total Revenues and Other Financing Sources	$ 1,037,075	$ 1,077,219	$ 1,089,952
Appropriations			
Expenditures			
General Government	$ 228,782	$ 822,161	$ 697,015
Public Safety	20,640	86,037	140,000
Public Works	87,518	124,969	175,229
Parks	43,339	108,222	77,708
Other Financing Uses			
Transfers Out - to other funds	-	23,100	63,028
Total Appropriations	$ 380,279	$ 1,164,489	$ 1,152,980

Change in Fund Balance (Revenues - Appropriations)	656,796	(87,270)	(63,028)
Beginning Fund Balance July 1	2,391,272	3,048,068	2,960,798
Ending Fund Balance June 30	$ 3,048,068	$ 2,960,798	$ 2,897,770
Ending Fund Balance as a % of Total Appropriations	801.5%	254.3%	251.3%

STATE STREET AID FUND	**Actual FY 2023**	**Estimated FY 2024**	**Budget FY 2025**
Revenues			
State Gas and Motor Fuel Taxes	$ 72,227	$ 72,017	$ 72,520
Miscellaneous Revenue	280	388	285
Other Financing Sources			
Transfers In - from other funds	-	-	-
Total Revenues and Other Financing Sources	$ 72,507	$ 72,405	$ 72,805
Appropriations			
Public Works Department	$ 35,135	$ 33,038	$ 70,700
Transfers Out - to other funds	-	-	-
Total Appropriations	$ 35,135	$ 33,038	$ 70,700
Change in Fund Balance (Revenues - Appropriations)	37,372	39,367	2,105
Beginning Fund Balance July 1	158,957	196,329	235,696
Ending Fund Balance June 30	$ 196,329	$ 235,696	$ 237,801
Ending Fund Balance as a % of Total Appropriations	558.8%	713.4%	336.4%

SEWER FUND		**Actual FY 2023**	**Estimated FY 2024**	**Budget FY 2025**
Operating Revenues				
Sewer Sales		190,413	193,840	199,204
Tap Fees		24,050	22,000	11,000
Miscellaneous Revenue				
Total Operating Revenues		$ 214,463	$ 215,840	$ 210,204
Operating Expenses				
Sewer Department		$ 95,780	$ 123,471	$ 150,150
Depreciation		48,149	48,190	50,000
Total Operating Expenses		$ 143,929	$ 171,661	$ 200,150
Operating Income (Loss)		$ 70,534	$ 44,178	$ 10,054
Non-Operating Revenues (Expenses)				
Revenue:	Interest Income	$ 4,432	$ 2,173	$ 2,300
	Grants - Operating	$ -	$ -	$ -
	Other Income	$ -	$ -	$ -
Expense:	Debt Service - Interest Expense	$ (2,832)	$ (2,616)	$ (2,412)
	Other Expense	$ -	$ -	$ -
Total Non-Operating Revenue (Expenses)		$ 1,600	$ (443)	$ (112)
Income (Loss) Before Capital Contributions and Transfers		$ 72,134	$ 43,735	$ 9,942
Capital Contributions and Transfers				
Capital Contributions - Tap Fees in Excess of Cost		$ -	$ -	$ -
Capital Contributions - Grants		-	-	200,000

Capital Contributions - Other	-	-	-
Transfers In - From Other Funds	-	-	-
Transfers Out - To Other Funds (PILOT)	-	-	-
Total Capital Contributions and Transfers	$ -	$ -	$ 200,000
Change in Net Position	72,134	43,735	209,942
Beginning Net Position July 1	876,376	948,510	992,245
Ending Net Position June 30	$ 948,510	$ 992,245	$ 1,202,187

Statutory Change in Net Position Reconciliation:			
Change in Net Position	$ 72,134	$ 43,735	$ 209,942
Subtract:			
Capital Contributions - Tap Fees in Excess of Cost	$ -	$ -	$ -
Capital Contributions - Grants	-	-	200,000
Capital Contributions - Other	-	-	-
Grants - Operating	-	-	-
Transfers In - from Other Funds	-	-	-
Total amount subtracted for statutory change	$ -	$ -	$ 200,000
Statutory Change in Net Postion*	$ 72,134	$ 43,735	$ 9,942

** Note: A statutory negative Change in Net Position for two consecutive years will result in the local government's referral to the Tennessee Board of Utility Regulation.*

FIRE DEPARTMENT FUND	**Actual FY 2023**	**Estimated FY 2024**	**Budget FY 2025**
Revenues			
Fire Tax	$ 167,487	$ 173,350	$ 179,416
Intergovernmental	160,913	138,122	138,260
Miscellaneous Revenue	1,881	3,924	3,050
Other Financing Sources			
Transfers In - from other funds	-	23,100	63,028
Total Revenues and Other Financing Sources	$ 330,281	$ 338,496	$ 383,754
Appropriations			
Fire Department	$ 287,921	$ 347,241	$ 383,703
Capital Expenditures	-	-	-
Total Appropriations	$ 287,921	$ 347,241	$ 383,703
Change in Fund Balance (Revenues - Appropriations)	42,360	(8,746)	51
Beginning Fund Balance July 1	298,078	340,438	331,693
Ending Fund Balance June 30	$ 340,438	$ 331,693	$ 331,744
Ending Fund Balance as a % of Total Appropriations	118.2%	95.5%	86.5%

SECTION 2: At the end of the fiscal year 2024, the governing body estimates fund balances or deficits as follows:

Fund	Estimated Fund Balance/ Net Position at June 30, 2024
General	$ 2,960,798
State Street Aid Fund	235,696
Sewer Fund	992,245
Fire Department Fund	331,693

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, 2024	FY 2025 Principal Payment	FY 2025 Interest Payment
Bonds -	$ -	$ -	$ -	$ -
Loan Agreements -				
Sewer - SRFL	-	221,632	21,204	2,412
Notes -	-	-	-	-
Capital Leases -	-	-	-	-

SECTION 4: During the coming fiscal year (2025) 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
Roads & Streets	$ 266,818	$ 266,818	$ -
Park Improvements	$ 30,000	$ 30,000	$ -
LDR Cameras	$ 15,000	$ 15,000	$ -
Sewer Plant Upgrade	$ 200,000	$ 200,000	$ -

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

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 $0.3199 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 pursuant to Title 9, Chapter 21 of the Tennessee Code Annotated within fifteen (15) days of its adoption. 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.

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, 2024, the public welfare requiring it.

Passed 1st Reading: June 3, 2024

Passed 2nd Reading: June 24, 2024

Mayor:

ATTESTED:

Tina Morehead

City Recorder

The caption of this Ordinance was published in the Cheatham County Exchange, a newspaper of general circulation within the Town of Pegram, TN on the 11th of June, 2024.

Cindy Beirnes

CINDY BEIRNES
STATE OF TENNESSEE
NOTARY PUBLIC
CHEATHAM COUNTY
MY COMMISSION EXPIRES MARCH 19, 2025