

ORDINANCE No. 2020-3

**AN ORDINANCE OF THE
TOWN OF ALEXANDRIA, TENNESSEE
ADOPTING THE ANNUAL BUDGET AND TAX RATE
FOR THE FISCAL YEAR BEGINNING JULY 1, 2021 AND ENDING JUNE 30, 2022**

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 2022, 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 2020	Estimated Actual FY 2021	Budget FY 2022
Revenues			
Local Taxes	\$ 281,339	\$ 284,516	\$ 278,200
Intergovernmental	157,885	163,566	159,320
Fines And Forfeitures	38,372	29,750	35,000
Other	8,726	5,625	6,180
Total Revenues and Other Financing Sources	\$ 486,322	\$ 483,457	\$ 478,700
Appropriations			
Expenditures			
Department of Administration	\$ 105,554	\$ 120,073	\$ 121,888
Police Department	225,466	228,557	241,450
Fire Department	15,490	15,961	16,300
Debt Service - Principal and Interest	29,412	29,412	29,412
Highway and Streets	65,291	59,676	64,650
Capital Outlay	35,000	12,000	-
Other Financing Uses			
Transfers Out - to other funds	5,000	5,000	5,000
Total Appropriations	\$ 481,213	\$ 470,679	\$ 478,700
Change in Fund Balance (Revenues - Appropriations)	5,109	12,778	-
Beginning Fund Balance July 1	414,239	419,348	432,126
Ending Fund Balance June 30	\$ 419,348	\$ 432,126	\$ 432,126
Ending Fund Balance as a % of Total Appropriations	87.1%	91.8%	90.3%

DRUG FUND	Estimated		
	Actual FY 2020	Actual FY 2021	Budget FY 2022
Revenues			
Fines And Forfeitures	\$ -	\$ 356	\$ -
Other	22	6	-
Other Financing Sources			
Transfers In - from other funds	5,000	5,000	5,000
Total Revenues and Other Financing Sources	\$ 5,022	\$ 5,362	\$ 5,000
Appropriations			
Drug Enforcement	\$ 7,316	\$ 5,720	\$ 11,500
Capital Outlay	-	-	-
Total Appropriations	\$ 7,316	\$ 5,720	\$ 11,500
Change in Fund Balance (Revenues - Appropriations)	(2,294)	(358)	(6,500)
Beginning Fund Balance July 1	17,463	15,169	14,811
Ending Fund Balance June 30	\$ 15,169	\$ 14,811	\$ 8,311
Ending Fund Balance as a % of Appropriations	207.3%	258.9%	72.3%

WATER and SEWER FUND	Estimated		
	Actual FY 2020	Actual FY 2021	Budget FY 2022
Operating Revenues			
Water Sales	\$ 610,926	\$ 623,284	\$ 620,000
Water Tap Fees	4,500	17,740	10,240
Water Other Fees	21,537	40,562	27,060
Sewer Fees	174,169	194,290	195,000
Sewer Tap Fees	5,000	3,000	12,000
Sewer Other Fees	13,281	3,176	3,000
Total Operating Revenues	\$ 829,413	\$ 882,052	\$ 867,300
Operating Expenses			
Administrative	\$ 30,077	\$ 25,791	\$ 29,200
Water Department	459,802	343,785	386,793
Water Depreciation	67,222	67,222	68,522
Sewer Department	126,494	150,117	149,267
Sewer Depreciation	89,624	89,624	89,624
Total Operating Expenses	\$ 773,219	\$ 676,539	\$ 723,406
Operating Income (Loss)	\$ 56,194	\$ 205,513	\$ 143,894
Nonoperating Revenues (Expenses)			
Revenue: Investment Income	\$ 394	\$ 310	\$ 300
Grants - Operating	-	-	-
Other Income	-	-	-
Expense: Water Debt Service - Interest Expense	(14,263)	(12,595)	(12,098)
Sewer Debt Service - Interest Expense	(14,281)	(13,840)	(13,380)
Other Expense	-	-	-
Total Nonoperating Revenue (Expenses)	\$ (28,150)	\$ (26,125)	\$ (25,178)
Income (Loss) Before Capital Contributions and Transfers	\$ 28,044	\$ 179,388	\$ 118,716
Capital Contributions and Transfers			
Capital Contributions - Tap Fees in Excess of Cost	\$ -	\$ -	\$ -
Capital Contributions - Grants	10,450	29,500	-
Capital Contributions - Other	-	-	-
Transfers In - from Other Funds	-	-	-
Transfers Out - to Other Funds (PILOT)	-	-	-
Total Capital Contributions and Transfers	\$ 10,450	\$ 29,500	\$ -
Change in Net Position	\$ 38,494	\$ 208,888	\$ 118,716
Beginning Net Position July 1	2,138,257	2,176,751	2,385,639
Ending Net Position June 30	\$ 2,176,751	\$ 2,385,639	\$ 2,504,355

SECTION 2: At the end of the fiscal year 2021, the governing body estimates fund balances or deficits as follows:

Fund	Estimated Fund Balance/Net Position at June 30, 2021	
General Fund	\$	432,126
Drug Fund		14,811
Water & Sewer Fund		2,385,639

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, 2021	FY2022 Principal Payment	FY2022 Interest Payment
Bonds -				
Revenue Bond, Water, Series 1999	\$ -	59,349	2,665	2,639
Revenue Bond, Sewer, Series 2001		232,230	8,060	10,288
Revenue Bond, Sewer, Series 2001A		69,646	2,416	3,092
Revenue Bond, Water, Series 2014		357,666	7,293	9,459
General Obligation, Street Paving, Series 2014		280,457	18,477	10,935

SECTION 4: During the coming fiscal year (2022) 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
Water and Sewer Fund			
Water Meters	\$ 6,000	\$ 6,000	\$ -

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		\$ 1,350,000
Water Meters	\$ 24,000	\$ 24,000	
Generator	\$ 60,000	\$ -	\$ 60,000
General Fund			
Street/Storm Drain Repair	\$ 40,000	\$ 40,000	

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 \$ 750.00 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 \$ 0.5666 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, 2021, the public welfare requiring it.

Passed 1st Reading: _____

Passed 2nd Reading: _____

Mayor

ATTESTED:

City Clerk