

ORDINANCE No. 2021-4

**AN ORDINANCE OF THE
TOWN OF ALEXANDRIA, TENNESSEE
ADOPTING THE ANNUAL BUDGET AND TAX RATE
FOR THE FISCAL YEAR BEGINNING JULY 1, 2022 AND ENDING JUNE 30, 2023**

WHEREAS, Tenn, Code Ann. § 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 Alderman 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 2023, 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 2021	Estimated Actual FY 2022	Budget FY 2023
Revenues			
Local Taxes	\$ 296,162	\$ 298,063	\$ 292,000
Intergovernmental	236,061	207,414	205,250
Fines And Forfeitures	32,155	27,577	34,000
Other	11,969	5,660	5,400
Total Revenues and Other Financing Sources	\$ 576,347	\$ 538,714	\$ 536,650
Appropriations			
Expenditures			
General Government	\$ 117,842	\$ 120,909	\$ 125,658
Police Department	223,265	224,620	247,950
Fire Department	19,307	13,634	17,500
Highway and Streets	57,957	59,099	69,125
Debt Service - Principal and Interest	29,412	29,412	29,412
Capital Outlay	67,032	84,100	42,000
Other Financing Uses			
Transfers Out - to other funds	5,000	5,000	5,000
Total Appropriations	\$ 519,815	\$ 536,774	\$ 536,645
Change in Fund Balance (Revenues - Appropriations)	56,532	1,940	5
Beginning Fund Balance July 1	419,348	475,880	477,820
Ending Fund Balance June 30	\$ 475,880	\$ 477,820	\$ 477,825
Ending Fund Balance as a % of Total Appropriations	91.5%	89.0%	89.0%

Debt Service paid from General Fund

Debt Management			
Acct #	Loan Agreement Principal Paid	\$ 19,277	\$ 18,477
Acct #	Loan Agreement Interest Paid	10,135	10,935
	Total Annual Debt Service Payments	\$ 29,412	\$ 29,412

DRUG FUND	Estimated		Budget FY 2023
	Actual FY 2021	Actual FY 2022	
Revenues			
Fines And Forfeitures	\$ 356	\$ 237	\$ -
Other	7	28	-
Other Financing Sources			
Transfers In - from other funds	5,000	5,000	5,000
Total Revenues and Other Financing Sources	\$ 5,363	\$ 5,265	\$ 5,000
Appropriations			
Drug Enforcement	\$ 5,720	\$ 6,456	\$ 11,500
Total Appropriations	\$ 5,720	\$ 6,456	\$ 11,500
Change in Fund Balance (Revenues - Appropriations)	(357)	(1,191)	(6,500)
Beginning Fund Balance July 1	15,169	14,812	13,621
Ending Fund Balance June 30	\$ 14,812	\$ 13,621	\$ 7,121
Ending Fund Balance as a % of Appropriations	259.0%	211.0%	61.9%

WATER and SEWER FUND	Estimated		Budget FY 2023
	Actual FY 2021	Actual FY 2022	
Operating Revenues			
Water Sales	\$ 644,776	\$ 671,104	\$ 676,200
Water Tap Fees	20,000	32,500	10,000
Water Other Fees	10,374	13,696	13,800
Sewer Fees	186,619	184,633	191,593
Sewer Tap Fees	6,000	18,000	9,000
Sewer Other Fees	9,153	9,717	10,084
Total Operating Revenues	\$ 876,922	\$ 929,650	\$ 910,677
Operating Expenses			
Administrative	\$ 23,614	\$ 21,946	\$ 28,496
Water Department	418,587	402,339	407,183
Water Depreciation	67,222	68,522	68,522
Sewer Department	126,843	148,132	151,467
Sewer Depreciation	90,519	90,519	90,519
Total Operating Expenses	\$ 726,785	\$ 731,458	\$ 746,187
Operating Income (Loss)	\$ 150,137	\$ 198,192	\$ 164,490
Nonoperating Revenues (Expenses)			
Revenue: Investment Income	\$ 329	\$ 430	\$ 300
Other Income	45,900	-	-
Expense: Water Debt Service - Interest Expense	(13,065)	(12,098)	(11,865)
Sewer Debt Service - Interest Expense	(13,069)	(13,380)	(12,899)
Total Nonoperating Revenue (Expenses)	\$ 20,095	\$ (25,048)	\$ (24,464)
Income (Loss) Before Capital Contributions and Transfers	\$ 170,232	\$ 173,144	\$ 140,026
Capital Contributions and Transfers			
Capital Contributions - Grants	31,350	-	-
Capital Contributions - Other	-	-	-
Transfers Out - to Other Funds (PILOT)	-	-	-
Total Capital Contributions and Transfers	\$ 31,350	\$ -	\$ -
Change in Net Position	\$ 201,582	\$ 173,144	\$ 140,026
Beginning Net Position July 1	2,176,751	2,378,333	2,551,477
Ending Net Position June 30	\$ 2,378,333	\$ 2,551,477	\$ 2,691,503

SECTION 2: At the end of the fiscal year 2022, the governing body estimates fund balances or deficits as follows:

Fund	Estimated Fund Balance/Net Position at June 30, 2022
General Fund	\$ 477,820
Drug Fund	13,621
Water & Sewer Fund	2,551,477

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:

Fund	Type of Debt	Loan Name and Description	Original Issuance Amount	Total		Budgeted Annual Debt Service			Detailed Budget Page Number
				Principal Outstanding at June 30	Principal	Interest	Total		
General	Bonds	USDA 97-14 General Obligation, Street Paving, Series 2014	\$ 400,000	\$ 279,049	\$ 19,106	\$ 10,306	\$ 29,412	\$ 29,412	4
		Total	\$ 400,000	\$ 279,049	\$ 19,106	\$ 10,306	\$ 29,412	\$ 29,412	
Water and Sewer	Bonds	USDA 91-05 Revenue Bond, Water, Series 1999	100,000	\$ 59,288	\$ 2,698	\$ 2,606	\$ 5,304	\$ 5,304	7
		USDA 92-07 Revenue Bond, Sewer, Series 2001	375,000	231,706	8,430	9,918	18,348	18,348	8
		USDA 92-10 Revenue Bond, Sewer, Series 2001A	100,000	69,639	2,527	2,981	5,508	5,508	8
		USDA 91-12 Revenue Bond, Water, Series 2014	400,000	357,957	7,493	9,259	16,752	16,752	7
		Total	\$ 975,000	\$ 718,590	\$ 21,148	\$ 24,764	\$ 45,912	\$ 45,912	
Total Outstanding Debt			\$1,375,000	\$ 997,639	\$ 40,254	\$ 35,070	\$ 75,324	\$ 75,324	

SECTION 4: During the coming fiscal year (2023) 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		TDEC/ARPA	
Radio Read and Zone Meters	\$ 510,000	\$ 510,000	\$ -

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		TDEC/ARPA	
Main Line Pump Upgrades	\$ 320,000	\$ 320,000	\$ -
Sewer Lift Station Upgrade	\$ 280,000	\$ 280,000	\$ -

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 (Tenn. Code Ann. § 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 Tenn. Code Ann. § 6-56-205.

SECTION 6: Money may be transferred from one appropriation to another in the same fund in an amount of up to seven hundred and fifty dollars (\$ 750.00) by the Mayor, subject to such limitations and procedures as set by the Board of Mayor and Aldermen pursuant to Tenn. Code Ann. § 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.

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 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 Board of Mayor and Aldermen 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, 2022, the public welfare requiring it.

Passed 1st Reading: _____

Passed 2nd Reading: _____

Mayor

ATTESTED:

Town Clerk