

ORDINANCE 722-25

AN ORDINANCE OF THE CITY OF ALGOOD, TENNESSEE ADOPTING THE ANNUAL BUDGET AND TAX RATE FOR THE FISCAL YEAR BEGINNING JULY 1, 2025 AND ENDING JUNE 30, 2026	ORDINANCE NO. 722-25 REQUESTED BY: CITY COUNCIL PREPARED BY: CITY ADMINISTRATOR APPROVED AS TO FORM AND CORRECTNESS: _____ (City Attorney) PASSED 1ST READING: PASSED 2ND READING:
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**AN ORDINANCE OF THE
CITY OF ALGOOD, TENNESSEE
ADOPTING THE ANNUAL BUDGET AND TAX RATE
FOR THE FISCAL YEAR BEGINNING JULY 1, 2025 AND ENDING JUNE 30, 2026**

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 CITY OF ALGOOD, 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 2025, 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	Estimated		
	Actual FY 2024	Actual FY 2025	Budget FY 2026
Revenues			
Local Taxes	\$ 3,406,662	\$ 3,024,150	\$ 3,245,150
Licenses And Permits	78,304	50,400	61,400
Intergovernmental	679,561	412,400	493,000
Charges For Services	262,817	140,000	250,000
Fines And Forfeitures	74,619	40,100	57,000
Other	886,542	157,138	179,703
Other Financing Sources			
Issuance of Debt / Debt Proceeds	-	-	-
Sale of Capital Assets	-	-	-
Transfers In - from other funds	-	-	-
Transfers In - from other funds (PILOT)	-	-	-
Total Revenues and Other Financing Sources	\$ 5,388,506	\$ 3,824,188	\$ 4,286,253
Appropriations			
Expenditures			
Department of Administration	\$ 1,728,997	\$ 1,134,097	\$ 1,335,791
Police Department	1,537,439	1,533,006	1,761,407
Fire Department	148,758	255,129	318,362
Parks Department	464,101	330,821	1,175,197
Public Works Department	589,209	604,118	930,136
Debt Service - Principal and Interest	-	-	-
Sanitation	203,755	302,243	353,519
	-	-	-
Other Financing Uses			
Transfers Out - to other funds	-	-	-
Total Appropriations	\$ 4,672,260	\$ 4,159,414	\$ 5,874,412
Change in Fund Balance (Revenues - Appropriations)	716,245	(335,226)	(1,588,159)
Beginning Fund Balance July 1	6,904,175	7,620,420	7,285,194
Ending Fund Balance June 30	\$ 7,620,420	\$ 7,285,194	\$ 5,697,035
Ending Fund Balance as a % of Total Appropriations	163.1%	175.1%	97.0%

STATE STREET AID FUND		Actual FY 2024	Estimated Actual FY 2025	Budget FY 2026
Revenues				
State Gas and Motor Fuel Taxes		\$ 146,587	\$ 131,000	\$ 148,000
Miscellaneous		22	100	25
Other Financing Sources				
Issuance of Debt / Debt Proceeds		-	-	-
Transfers In - from other funds		-	-	-
Total Revenues and Other Financing Sources		\$ 146,608	\$ 131,100	\$ 148,025
Appropriations				
Streets		\$ 96,491	\$ 131,100	\$ 148,025
Debt Service - Principal and Interest		-	-	-
Total Appropriations		\$ 96,491	\$ 131,100	\$ 148,025
Change in Fund Balance (Revenues - Appropriations)		50,117	-	-
Beginning Fund Balance July 1		328,060	378,177	378,177
Ending Fund Balance June 30		\$ 378,177	\$ 378,177	\$ 378,177
Ending Fund Balance as a % of Total Appropriations		391.9%	288.5%	255.5%

DRUG FUND		Actual FY 2024	Estimated Actual FY 2025	Budget FY 2026
Revenues				
Fines And Forfeitures		\$ 7,678	\$ 34,985	\$ 7,000
Other		2	15	5
Other Financing Sources				
Issuance of Debt / Debt Proceeds		-	-	-
Transfers In - from other funds		-	-	-
Total Revenues and Other Financing Sources		\$ 7,680	\$ 35,000	\$ 7,005
Appropriations				
Drug Enforcement		\$ 23,573	\$ 35,000	\$ 7,005
Debt Service		-	-	-
Total Appropriations		\$ 23,573	\$ 35,000	\$ 7,005
Change in Fund Balance (Revenues - Appropriations)		(15,893)	-	-
Beginning Fund Balance July 1		30,854	14,961	14,961
Ending Fund Balance June 30		\$ 14,961	\$ 14,961	\$ 14,961
Ending Fund Balance as a % of Appropriations		63.5%	42.7%	213.6%

CEMETERY FUND		Actual FY 2024	Estimated Actual FY 2025	Budget FY 2026
Cash Receipts				
Revenue		\$ 11,452	\$ 18,200	\$ 16,000
Misc Revenue		2,450	275	2,400
Total Cash Receipts		\$ 13,902	\$ 18,475	\$ 18,400
Appropriations				
Expense		\$ 11,589	\$ 18,475	\$ 23,985
		-	-	-
Total Appropriations		\$ 11,589	\$ 18,475	\$ 23,985
Change in Cash (Receipts - Appropriations)		2,313	-	(5,585)
Beginning Cash Balance July 1		466,031	468,344	468,344
Ending Cash Balance June 30		\$ 468,344	\$ 468,344	\$ 462,759
Ending Cash as a % of Total Cash Payments/Appropriations		4041.3%	2535.0%	1929.4%

WATER and SEWER FUND	Actual FY 2024	Estimated Actual FY 2025	Budget FY 2026
Operating Revenues			
Metered Sales	\$ 2,575,031	\$ 2,540,000	\$ 3,265,000
Tap Fees	70,195	55,000	60,000
Other Revenue	101,476	45,950	48,800
Miscellaneous Other Fees	25,745	27,000	27,000
Total Operating Revenues	\$ 2,772,447	\$ 2,667,950	\$ 3,400,800
Operating Expenses			
Water and Sewer	\$ 2,058,856	\$ 2,176,493	\$ 2,591,451
	-	-	-
	-	-	-
Other	-	-	-
Depreciation	288,597	284,000	325,000
Total Operating Expenses	\$ 2,347,453	\$ 2,460,493	\$ 2,916,451
Operating Income (Loss)	\$ 424,994	\$ 207,457	\$ 484,349
Nonoperating Revenues (Expenses)			
Revenue: Interest Income	\$ 8,534	\$ 8,000	\$ 30,000
Grants - Operating	-	-	-
Other Income	-	-	-
Expense: Debt Service - Interest Expense	(80,054)	(119,713)	(119,713)
Other Expense			
Total Nonoperating Revenue (Expenses)	\$ (71,520)	\$ (111,713)	\$ (89,713)
Income (Loss) Before Capital Contributions and Transfers	\$ 353,474	\$ 95,744	\$ 394,636
Capital Contributions and Transfers			
Capital Contributions - Tap Fees in Excess of Cost	\$ -	\$ -	\$ -
Capital Contributions - Grants	-	1,466,530	1,766,530
Capital Contributions - Other	-	-	-
Transfers In - from Other Funds	-	-	-
Transfer Out - PILOT			
Total Capital Contributions and Transfers	\$ -	\$ 1,466,530	\$ 1,766,530
Change in Net Position	\$ 353,474	\$ 1,562,274	\$ 2,161,167
Prior Period Adjustment	(107,532)		
Beginning Net Position July 1	8,451,014	8,696,956	10,259,231
Ending Net Position June 30	\$ 8,696,956	\$ 10,259,231	\$ 12,420,397

SECTION 2: At the end of the fiscal year 2025, the governing body estimates fund balances or deficits as follows:

Fund	Estimated Fund Balance/Net Position at June 30, 2025
General Fund	\$ 7,285,194
State Street Street Aid Fund	378,177
Cemetery Fund	468,344
Drug Fund	14,961
Water & Sewer Fund	10,259,231

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, 2025	FY2026 Principal Payment	FY2026 Interest Payment
Bonds -				
PBA Clarksville Sewer Bond	\$ -	\$ 2,191,000	\$ 58,000	\$ 92,986
Loan Agreements				
CWA 2009-244 Sewer SRF		\$ 693,398	\$ 104,814	\$ 13,814
Notes -				
Leases				

SECTION 4: During the coming fiscal year (2026) 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
Brotherton Mtn Tank and Pump	\$ 1,517,000.00	\$ 1,517,000.00	\$ -
Sewer Rehab	\$ 967,000.00	\$ 967,000.00	\$ -
New Park Additions	\$ 500,000.00	\$ 500,000.00	\$ -

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
[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 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 by ordinance by the council, 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 equal to \$0.3623 per \$100 for 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: If for any reason a budget ordinance is not adopted prior to the beginning of the next fiscal year, the appropriations in this budget ordinance shall become the appropriations for the next fiscal year until the adoption of the new budget ordinance in accordance with Section 6-56-210, Tennessee Code Annotated provided sufficient revenues are being collected to support the continuing appropriations. Approval of the Director of the Division of Local Finance in the Comptroller of the Treasury for a continuation budget will be requested if any indebtedness is outstanding.

SECTION 11: All unencumbered balances of appropriations remaining at the end of the fiscal year shall lapse and revert to the respective fund balances.

SECTION 12: All ordinances or parts of ordinances in conflict with any provision of this ordinance are hereby repealed.

SECTION 13: This ordinance shall take effect July 1, 2025, the public welfare requiring it.

Passed 1st Reading:

Passed 2nd Reading:

Mayor

ATTESTED: _____
City Recorder