

ORDINANCE No. _____

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

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

NOW THEREFORE BE IT ORDAINED BY THE GOVERNING BODY OF THE TOWN OF ASHLAND CITY, 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 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	Estimated		Budget FY 2024
	Actual FY 2022	Actual FY 2023	
Revenues			
Local Taxes	\$ 6,533,132	\$ 7,113,658	\$ 7,397,120
Licenses And Permits	174,077	158,834	110,500
Intergovernmental	1,210,167	970,275	2,711,114
Charges For Services	13,507	20,305	20,000
Fines And Forfeitures	417,788	452,946	482,000
Other	762,446	757,629	2,528,350
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	\$ 9,111,117	\$ 9,473,647	\$ 13,249,084
Appropriations			
Expenditures			
Finance Department	\$ 714,519	\$ 684,062	\$ 1,130,800
City Court Department	\$ 299,693	\$ 259,032	\$ 328,975
Public Safety	\$ 3,225,301	\$ 3,308,115	\$ 4,041,073
Senior Center Department	\$ 303,406	\$ 395,490	\$ 784,850
Streets Department	619,057	650,620	912,665
Technology Department	196,381	204,673	354,250
Parks Department	420,187	399,482	2,558,805
Codes Department	183,274	217,270	345,800
Capital Outlay	1,381,729	573,125	2,349,175
Debt Service - Principal and Interest	69,936	90,338	383,281
Other Financing Uses			
Transfers Out - to other funds	(467,727)	-	-
Total Appropriations	\$ 6,945,756	\$ 6,782,207	\$ 13,189,674
Change in Fund Balance (Revenues - Appropriations)	2,165,361	2,691,440	59,410
Beginning Fund Balance July 1	8,509,561	10,674,922	13,366,362
Ending Fund Balance June 30	\$ 10,674,922	\$ 13,366,362	\$ 13,425,772
Ending Fund Balance as a % of Total Appropriations	153.7%	197.1%	101.8%

STATE STREET AID FUND	Estimated		Budget FY 2024
	Actual FY 2022	Actual FY 2023	
Revenues			
State Gas and Motor Fuel Taxes	\$ 184,678	\$ 182,263	\$ 185,400
Gas Tax Increase	-	-	-
Interest	1,010	12,715	18,000
Other Financing Sources			
Issuance of Debt / Debt Proceeds	-	-	-
Transfers In - from other funds	-	-	-
Total Revenues and Other Financing Sources	\$ 185,688	\$ 194,978	\$ 203,400
Appropriations			
Streets	\$ 187,482	\$ 15	\$ 200,000
Debt Service - Principal and Interest	-	-	-
Total Appropriations	\$ 187,482	\$ 15	\$ 200,000
Change in Fund Balance (Revenues - Appropriations)	(1,794)	194,963	3,400
Beginning Fund Balance July 1	514,619	512,825	707,788
Ending Fund Balance June 30	\$ 512,825	\$ 707,788	\$ 711,188
Ending Fund Balance as a % of Total Appropriations	273.5%	4718586.7%	355.6%

DRUG FUND	Estimated		Budget FY 2024
	Actual FY 2022	Actual FY 2023	
Revenues			
Fines And Forfeitures	\$ 11,184	\$ 9,652	\$ 10,000
Other	2	16	5
Other Financing Sources			
Issuance of Debt / Debt Proceeds	-	-	-
Transfers In - from other funds	-	-	-
Total Revenues and Other Financing Sources	\$ 11,186	\$ 9,668	\$ 10,005
Appropriations			
Public Safety	\$ 4,864	\$ 1,000	\$ 1,000
Debt Service	-	-	-
Total Appropriations	\$ 4,864	\$ 1,000	\$ 1,000
Change in Fund Balance (Revenues - Appropriations)	6,322	8,668	9,005
Beginning Fund Balance July 1	66,345	72,667	81,335
Ending Fund Balance June 30	\$ 72,667	\$ 81,335	\$ 90,340
Ending Fund Balance as a % of Appropriations	1494.0%	8133.5%	9034.0%

CAPITAL PROJECTS FUND	Actual FY 2022	Estimated Actual FY 2023	Budget FY 2024
Revenues			
Senior Center Building Fund	\$ -	\$ -	
City Hall Project	-	-	5,300,000
Fire Hall Project	-	-	7,785,000
Transfers In - from other funds	-	-	-
Other Financing Sources			
Issuance of Debt / Debt Proceeds	-	-	-
Transfers In - from other funds	-	-	-
Total Revenues and Other Financing Sources	\$ -	\$ -	\$ 13,085,000
Appropriations			
City Hall Project	\$ -	\$ -	\$ 5,300,000
Fire Hall Project	-	-	7,785,000
Total Appropriations	\$ -	\$ -	\$ 13,085,000
Change in Fund Balance (Revenues - Appropriations)	-	-	-
Beginning Fund Balance July 1	-	-	-
Ending Fund Balance June 30	\$ -	\$ -	\$ -
Ending Fund Balance as a % of Total Appropriations	#DIV/0!	#DIV/0!	0.0%

WATER and SEWER FUND	Actual FY 2022	Estimated Actual FY 2023	Budget FY 2024
Operating Revenues			
Water Sales	\$ 1,911,023	\$ 2,199,791	\$ 2,415,000
Sewer Fees	1,296,672	1,504,207	1,702,000
Tap Fees	145,879	360,600	1,000,000
Miscellaneous Other Fees	57,803	463,713	390,600
Total Operating Revenues	\$ 3,411,377	\$ 4,528,311	\$ 5,507,600
Operating Expenses			
Administrative	\$ 1,003,566	\$ 1,041,407	\$ 1,218,655
Utilities	184,215	266,355	325,925
Repairs & Maintenance	313,922	370,413	656,480
Other Contractual Services	169,366	89,358	110,990
Supplies	225,813	88,812	108,040
Materials	12,440	211,143	261,600
Insurance	51,402	61,559	67,500
Depreciation	530,727	550,000	550,000
Total Operating Expenses	\$ 2,491,451	\$ 2,679,047	\$ 3,299,190
Operating Income (Loss)	\$ 919,926	\$ 1,849,264	\$ 2,208,410
Nonoperating Revenues (Expenses)			
Revenue: Investment Income	\$ 10,528	\$ -	\$ -
Grants - Operating	-	-	-
Other Income	-	-	-
Expense: Debt Service - Interest Expense	(63,218)	(109,979)	(258,888)
Other Expense	(27,330)	-	(16,100)
Total Nonoperating Revenue (Expenses)	\$ (80,020)	\$ (109,979)	\$ (274,988)
Income (Loss) Before Capital Contributions and Transfers	\$ 839,906	\$ 1,739,285	\$ 1,933,422
Capital Contributions and Transfers			
Capital Contributions - Tap Fees in Excess of Cost	\$ 326,400	\$ -	\$ -
Capital Contributions - Grants	-	-	-
Capital Contributions - Other	-	-	-
Transfers In - from Other Funds	255,265	-	-
Transfers Out - to Other Funds (PILOT)	-	-	-
Total Capital Contributions and Transfers	\$ 581,665	\$ -	\$ -
Change in Net Position	\$ 1,421,571	\$ 1,739,285	\$ 1,933,422
Beginning Net Position July 1	17,432,769	18,854,340	20,593,625
Ending Net Position June 30	\$ 18,854,340	\$ 20,593,625	\$ 22,527,047

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 Fund	\$	13,366,362
State Street Street Aid Fund		707,788
Capital Improvement Projects		-
Drug Fund		81,335
Water & Sewer Fund		20,593,625

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, 2023	FY2024 Principal Payment	FY2024 Interest Payment
Bonds -				
USDA RUS Loan - Fire Truck 2020 2.125%		\$ 761,475	\$ 55,000	\$ 16,000
Fire Hall -Public Building Authority of Clarksville Bond Series 2022 1.35%	\$ 137,604	\$ 273,110		\$ 50,000
City Hall -Public Building Authority of Clarksville Bond Series 2022 2.08%	\$ 5,105,383.00	\$ 194,617.00		
Water and Sewer Revenue and Tax Bonds Series 2012A .55-3.5%		\$ 1,760,000	\$ 105,000	\$ 53,088
Sewer Treatment Plant Loan, Bond Series 2021 1.690%	\$ 14,126,396	\$ 650,043		\$ 100,000
Loan Agreements				
Fire Hall Construction - USDA 1.2%	\$ 5,560,000.00		\$ 87,181.00	\$ 125,100.00
Fire Hall Cost Overrun - USDA 3.25%	\$ 1,225,000.00			
City Hall Construction - USDA 1.93%	\$ 5,300,000.00			
Sewer Treatment Plant Loan - USDA 1.5%	\$ 16,599,000.00			
Sewer Treatment Plant Cost Overrun Loan - USDA3%	\$ 5,000,000.00			
Sewer Treatment Plant Cost Overrun Loan - USDA 3%	\$ 5,639,000.00			
Notes - None				
Leases None				

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	Pending Capital Projects - Total Expense	Pending Capital Projects Expense Financed by Estimated Revenues and/or Reserves	Pending Capital Projects Expense Financed by Debt Proceeds
Construction of New City Hall	\$ 5,300,000.00		\$ 5,300,000.00
Construction of New Fire Station 1	\$ 6,900,000.00	\$ 750,000.00	\$ 6,150,000.00
Construction of New Sewer Treatment Plant	\$ 36,293,000.00	\$ 3,420,000.00	\$ 32,873,000.00
Purchase of Police Vehicles & Equipment	\$ 110,000.00	\$ 110,000.00	
Purchase of Public Works Truck	\$ 50,025.00	\$ 50,025.00	
Purchase of Christmas Display Lights	\$ 15,000.00	\$ 15,000.00	
Purchase of New Furniture for Fire Hall	\$ 108,000.00	\$ 108,000.00	
Purchase of Shade Structure for Playground	\$ 20,000.00	\$ 20,000.00	
Repave or Seal needed areas	\$ 54,500.00	\$ 54,500.00	\$ -

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
Construction of New Senior Center	\$ 5,000,000.00		\$ 5,000,000.00
Construction of New Recreation Center	\$ 5,000,000.00		\$ 5,000,000.00
Construction of New Firing Range	\$ 1,000,000.00		\$ 1,000,000.00
Construction of Sports Complex	\$ 30,000,000.00	\$ -	\$ 30,000,000.00

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: The Financial Director is hereby granted the authority to transfer monies from one appropriation to another in the same fund, subject to such limitations and procedures as set by the Governing Body 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 \$0.58 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, 2023, the public welfare requiring it.

Passed 1st Reading: _____

Passed 2nd Reading: _____

Mayor

ATTESTED:

Interim City Recorder

