

ORDINANCE NO. 2025-04

AN ORDINANCE OF THE CITY OF JEFFERSON CITY, TENNESSEE ADOPTING THE ANNUAL BUDGET FOR THE FISCAL YEAR BEGINNING JULY 1, 2025, AND ENDING JUNE 30, 2026

WHEREAS, Tennessee Code Annotated Title 9 Chapter 1 Section 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, TCA 6-56-201, 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 the 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 annual operating budget and budgetary comparisons of the proposed budget, with the prior year (actual), and the current year (estimated) has been published in a newspaper of general circulation not less than ten (10) days prior to the meeting where the City Council will consider final passage of the budget.

NOW THEREFORE BE IT ORDAINED BY THE COUNCIL OF THE CITY OF JEFFERSON CITY, TENNESSEE:

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SECTION 1: That the City Council of Jefferson City, Tennessee estimates anticipated revenues and appropriates revenues and fund balances, and appropriates from these anticipated revenues and unexpended and unencumbered funds for the Fiscal Year beginning July 1, 2025, and ending June 30, 2026, be and the same hereby determined and estimated by each fund as follows:

GENERAL FUND	Actual FY 2023-24	Estimated FY 2024-25	Budget FY 2025-26
Revenues			
Local Taxes	\$ 8,561,848	\$ 9,586,500	\$ 9,690,500
Licenses And Permits	216,421	253,600	208,500
Intergovernmental	1,303,166	1,260,790	1,312,220
Grant	2,155,065	103,450	-
Charges For Services	682,667	639,330	651,430
Fines And Forfeitures	225,561	188,000	188,000
Other Revenue	1,790,159	1,356,830	1,462,000
Other Financing Sources			
Debt Proceeds	-	-	-
Total Revenues and Other Financing Sources	\$ 14,934,887	\$ 13,388,500	\$ 13,512,650
Appropriations			
Expenditures			
Administration	\$ 850,220	\$ 987,690	\$ 984,800
Police	5,087,344	3,792,340	3,499,330
Fire	2,169,049	2,350,790	2,464,240
Building Inspector	147,941	220,620	168,810
Public Works	1,793,752	1,773,040	1,487,410
Parks and Recreation	1,033,232	1,474,440	1,970,630
Culture	143,442	173,320	237,650
Other General Government	1,757,694	1,949,480	2,062,610
Debt Service	938,612	758,780	728,000
Other Financing Uses			
Transfers Out to Other Funds - Sanitation	349,240	242,310	239,850
Total Appropriations	\$ 14,270,526	\$ 13,722,810	\$ 13,843,330
Change in Fund Balance (Revenues - Appropriations)	664,361	(334,310)	(330,680)
Beginning Fund Balance July 1	15,158,595	15,822,956	15,488,646
Ending Fund Balance June 30	\$ 15,822,956	\$ 15,488,646	\$ 15,157,966
Ending Fund Balance as a % of Total Appropriations	110.9%	112.9%	109.5%

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Sanitation Fund		Actual	Estimated	Budget
		FY 2023-24	FY 2024-25	FY 2025-26
Revenues				
Charges for Services	\$	578,348	\$ 520,000	\$ 590,000
Other Revenue		-	-	-
Other Financing Sources				
Transfers In from Other Funds - General Fund		349,240	242,310	239,850
Total Revenues and Other Financing Sources	\$	927,588	\$ 762,310	\$ 829,850
Appropriations				
Sanitation	\$	897,688	\$ 762,310	\$ 829,850
Total Appropriations	\$	897,688	\$ 762,310	\$ 829,850
Change in Fund Balance (Revenues - Appropriations)		29,900	-	-
Beginning Fund Balance July 1		87,453	117,353	117,353
Ending Fund Balance June 30	\$	117,353	\$ 117,353	\$ 117,353
Ending Fund Balance as a % of Total Appropriations		13.1%	15.4%	14.1%

STATE STREET AID FUND		Actual	Estimated	Budget
		FY 2023-24	FY 2024-25	FY 2025-26
Revenues				
State Gas and Motor Fuel Taxes	\$	292,978	\$ 303,080	\$ 301,820
Other Revenue		3,891	10,000	2,000
Total Revenues and Other Financing Sources	\$	296,869	\$ 313,080	\$ 303,820
Appropriations				
Streets	\$	278,434	\$ 316,230	\$ 326,500
Total Appropriations	\$	278,434	\$ 316,230	\$ 326,500
Change in Fund Balance (Revenues - Appropriations)		18,435	(3,150)	(22,680)
Beginning Fund Balance July 1		323,375	341,810	338,660
Ending Fund Balance June 30	\$	341,810	\$ 338,660	\$ 315,980
Ending Fund Balance as a % of Total Appropriations		122.8%	107.1%	96.8%

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DRUG FUND		Actual	Estimated	Budget
		FY 2023-24	FY 2024-25	FY 2025-26
Revenues				
Drug Fines and Costs		\$ 47,001	\$ 25,000	\$ 35,000
Other Revenue		819	12,910	5,000
Total Revenues and Other Financing Sources		\$ 47,820	\$ 37,910	\$ 40,000
Appropriations				
Drug Enforcement		\$ 36,509	\$ 46,750	\$ 79,600
Total Appropriations		\$ 36,509	\$ 46,750	\$ 79,600
Change in Fund Balance (Revenues - Appropriations)		11,311	(8,840)	(39,600)
Beginning Fund Balance July 1		107,730	119,041	110,201
Ending Fund Balance June 30		\$ 119,041	\$ 110,201	\$ 70,601
Ending Fund Balance as a % of Appropriations		326.1%	235.7%	88.7%

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WATER and SEWER FUND			
	Actual FY 2023-24	Estimated FY 2024-25	Budget FY 2025-26
Operating Revenues			
Water Sales	\$ 3,305,470	\$ 3,300,000	\$ 3,500,000
Sewer Fees	2,082,436	2,000,000	2,100,000
Tap Fees	88,800	150,000	100,000
Miscellaneous Other Fees	120,429	102,300	97,100
Total Operating Revenues	\$ 5,597,135	\$ 5,552,300	\$ 5,797,100
Operating Expenses			
Administrative	\$ 579,082	\$ 626,020	\$ 657,600
Water Department	1,952,211	2,027,325	2,066,250
Sewer Department	1,042,438	1,104,330	1,122,270
Other	451,285	571,325	673,320
Depreciation	1,264,264	870,000	870,000
Total Operating Expenses	\$ 5,289,280	\$ 5,199,000	\$ 5,389,440
Operating Income (Loss)	\$ 307,855	\$ 353,300	\$ 407,660
Nonoperating Revenues (Expenses)			
Revenue: Investment Income	\$ 148,323	\$ 50,000	\$ 50,000
Grants - Operating			
Other Income	58,535	20,200	20,000
Expense: Debt Service - Interest Expense	(279,950)	(280,240)	(266,230)
Other Expense			
Total Nonoperating Revenue (Expenses)	\$ (73,092)	\$ (210,040)	\$ (196,230)
Income (Loss) Before Capital Contributions and Transfers	\$ 234,763	\$ 143,260	\$ 211,430
Capital Contributions and Transfers			
Capital Contributions - Grants	732,600	1,650,340	-
Capital Contributions - Other			
Transfers In - from Other Funds			
Transfers Out - to Other Funds (PILOT)			
Total Capital Contributions and Transfers	\$ 732,600	\$ 1,650,340	\$ -
Change in Net Position	\$ 967,363	\$ 1,793,600	\$ 211,430
Beginning Net Position July 1	17,410,943	18,378,306	20,171,906
Ending Net Position June 30	\$ 18,378,306	\$ 20,171,906	\$ 20,383,336

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SECTION 2: At the end of the current fiscal year the governing body estimates the net change in fund balances as follows:

Fund	Estimated Fund Balance at June 30, 2025
General Fund	\$ \$15,488,646
Sanitation Fund	\$ 117,353
State Street Aid Fund	\$ 338,660
Drug Fund	\$ 110,201
Water & Sewer Fund	\$ 20,171,906

SECTION 3: That the governing body recognizes that the municipality has bonded and other indebtedness as follows:

City of Jefferson City										
Schedule of Outstanding Debt and Budgeted Debt Service										
Fiscal Year 2026										
Note: Enter information in the unshaded cells.										
			Original Issuance Amount	Authorized & Unissued	Total Principal Outstanding at June 30	Budgeted Annual Debt Service			Detailed Budget Page Number	
Fund	Type of Debt	Loan Name and Description				Principal	Interest	Total		
General	Bonds	General Obligation Bonds (2021) - Refunding Library	\$ 1,900,000		\$ 1,470,000	\$ 110,000	\$ 27,680	\$ 137,680	44	
		General Obligation Bonds (2017) - City Center Complex	6,550,000		4,295,000	385,000	115,280	500,280	15	
	Notes	Police - Capital Outlay Note Series 2022	227,970		118,000	58,000	3,260	61,260	18	
		Streets Vehicles & Equipment - Capital Outlay Note Series 2022B	218,350		150,800	22,700	6,080	28,780	26	
	Total		\$ 8,896,320	\$ -	\$ 6,033,800	\$ 575,700	\$ 152,300	\$ 728,000		
	Water and Sewer	Bonds	Rural Development Loan - W/S Revenue Tax Bond Series 2012A (Sewer)	3,065,000		\$ 2,643,780	\$ 64,070	\$ 55,840	\$ 119,910	64 & 68
			Cumberland Securities Bond Series 2020 - Water Refunding (Water)	6,450,000		5,380,000	230,000	109,400	339,400.00	57& 66
			Rural Development Loan - W/S Revenue Tax Bond Series 2019 (Sewer)	4,483,000		4,129,770	89,570	56,220	145,790.00	64 & 68
Cumberland Securities Bond Series 2021 - Sewer Refunding (Sewer)			1,315,000		1,070,000	75,000	20,130	95,130.00	64 & 68	
Loan Agreements		Tennessee Local Development Authority 2004-060 (Water)	5,000,000		1,519,330	259,290	11,070	270,360.00	57 & 66	
Notes		Capital Outlay Note (W/S) - Series 2022B	433,650		336,600	31,800	13,570	45,370.00	57, 64, 66, 68	
Total		\$ 20,746,650	\$ -	\$ 15,079,480	\$ 749,730	\$ 266,230	\$ 1,015,960			
Total Outstanding Debt			\$ 29,642,970	\$ -	\$ 21,113,280	\$ 1,325,430	\$ 418,530	\$ 1,743,960		

SECTION 4: During the coming fiscal year 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
\$0.00		\$0.00	\$0.00

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
\$0.00		\$0.00	\$0.00

SECTION 5: Amendments to budget, when budget must be adopted, and effect of adoption.

After the first reading the council may adopt the budget with or without amendment, but no amendment shall decrease expenditures required by law for debt service. The budget shall be adopted for the ensuing fiscal year before the end of the current fiscal year. Adoption of the budget shall constitute appropriations of the amounts specified therein as expenditures from the funds indicated and shall constitute a levy of the property tax therein proposed.
(City Charter – Article IX, Section 5)

SECTION 6: Supplemental appropriations. If during the fiscal year the manager certifies that there are available for appropriation revenues in excess of those estimated in the budget, the council by ordinance may make supplemental appropriations for the year up to the amount of such excess. (City Charter – Article IX, Section 6)

SECTION 7: Emergency appropriations. Upon a declaration by the council that there exists a public emergency affecting life, health, property or the public peace, the council may make emergency appropriations by ordinance. To the extent that there are no available unappropriated revenues to meet such appropriations council is authorized to borrow funds sufficient to meet said emergency by issuing negotiable notes.

SECTION 8: Deficits. If at any time during the fiscal year it appears probable to the manager that the revenues available will be insufficient to meet the amount appropriated, he shall report to the council without delay, indicating the estimated amount of the deficit, any remedial action taken by him and his recommendations as to any other steps to be taken. The council shall then take such further action as it deems necessary to prevent or minimize any deficit and for that purpose it may by ordinance reduce appropriations. (City Charter – Article IX, Section 8)

SECTION 9: Transfer of unencumbered appropriations. At any time during the fiscal year the manager may transfer part or all of any unencumbered appropriation balance among programs within a department, office or agency and, upon written request by the manager, the council may by resolution transfer part of all of any unencumbered appropriation balance from one department, office, or agency to another. (City Charter – Article IX, Section 9)

SECTION 10: A detailed budget and financial plan is attached and will become part of this budget ordinance.

SECTION 11: This annual operating and capital budget ordinance shall be submitted to the Comptroller of the Treasury or Comptroller's Designee for approval if the City has notes issued pursuant to Title 9, Chapter 21, TCA or loan agreements with a public building authority issued pursuant to Title 12, Chapter 10, TCA approved by the Comptroller of the Treasury or Comptroller's Designee within 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, TCA.

SECTION 12: Lapsing of appropriations. Every appropriation shall lapse at the end of the fiscal year to the extent that it has not been expended or encumbered. (City Charter – Article IX, Section 10)

SECTION 13: All ordinances or parts of ordinances in conflict with any provision of this ordinance are hereby repealed. (City Charter – Article IX, Section 12)

SECTION 14: This ordinance shall take effect July 1, 2025, the public welfare requiring it.

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1st Reading 6th day of May, 2025.

2nd Reading 2nd day of June, 2025.

Mitch Cain, Mayor

Bettina Chandler, City Recorder