

## **ORDINANCE NO. 25-1281**

### **AN ORDINANCE OF THE BOARD OF COMMISSIONERS OF THE CITY OF RED BANK, TENNESSEE ADOPTING THE ANNUAL BUDGET AND TAX RATE FOR THE FISCAL YEAR BEGINNING JULY 1, 2025, AND ENDING JUNE 30, 2026**

**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; and

### **NOW THEREFORE BE IT ORDAINED BY THE GOVERNING BODY OF THE CITY OF RED BANK, 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 2026, 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 2024	Estimated FY 2025	Budget FY 2026
<b><u>Cash Receipts</u></b>			
Local Taxes	\$ 8,022,336	\$ 8,080,068	\$ 8,239,080
State Shared Taxes	\$ 1,520,613	\$ 1,555,199	\$ 1,536,279
Other Revenue Sources	\$ 1,563,164	\$ 897,009	\$ 918,104
<b>Total Cash Receipts</b>	<b>\$ 11,106,113</b>	<b>\$ 10,532,276</b>	<b>\$ 10,693,463</b>
<b><u>Appropriations</u></b>			
Judicial	\$ 191,745	\$ 188,894	\$ 193,358
Legislative	\$ 492,869	\$ 60,301	\$ 37,210
Finance & Administration	\$ 1,113,043	\$ 1,191,405	\$ 1,252,504
Insurance	\$ 1,413,741	\$ 1,351,289	\$ 1,401,350
Police	\$ 2,768,446	\$ 3,337,579	\$ 3,145,232
Fire	\$ 2,145,099	\$ 1,875,429	\$ 1,969,977
Community Development	\$ 76,122	\$ 634,038	\$ 672,782
Public Works	\$ 1,972,854	\$ 2,053,758	\$ 2,188,249
Parks	\$ 450,182	\$ 447,203	\$ 240,670
<b>Total Appropriations</b>	<b>\$ 10,624,102</b>	<b>\$ 11,139,895</b>	<b>\$ 11,101,332</b>
<b>Surplus / (Deficit)</b>	<b>\$ 482,011</b>	<b>\$ (607,620)</b>	<b>\$ (407,869)</b>
Beginning Fund Balance	\$ 8,154,108	\$ 8,636,119	\$ 8,028,499
Ending Fund Balance	\$ 8,636,119	\$ 8,028,499	\$ 7,620,631
STATE STREET AID	Actual FY 2024	Estimated FY 2025	Budget FY 2026
<b><u>Cash Receipts</u></b>			
Building and Related Permits	\$ 17,550	\$ 13,575	\$ 12,000
State Highway and Street Fund	\$ 415,485	\$ 433,517	\$ 433,719
Interest Earnings	\$ 34,303	\$ 20,996	\$ 18,000
Insurance Recoveries	\$ 23,105	\$ 21,471	\$ -
Loan Proceeds	\$ -	\$ -	\$ 900,000
<b>Total Cash Receipts</b>	<b>\$ 490,443</b>	<b>\$ 489,558</b>	<b>\$ 1,363,719</b>
<b><u>Appropriations</u></b>			
Operation	\$ 237,337	\$ 287,235	\$ 1,423,000
Debt Service	\$ 43,502	\$ 41,899	\$ 116,554
Capital	\$ 280,000	\$ -	\$ 200,000
<b>Total Appropriations</b>	<b>\$ 560,839</b>	<b>\$ 329,134</b>	<b>\$ 1,739,554</b>
<b>Surplus / (Deficit)</b>	<b>\$ (70,396)</b>	<b>\$ 160,425</b>	<b>\$ (375,836)</b>
Beginning Fund Balance	\$ 631,882	\$ 561,486	\$ 721,911
Ending Fund Balance	\$ 561,486	\$ 721,911	\$ 346,075

SOLID WASTE	Actual FY 2024	Estimated FY 2025	Budget FY 2026
<b><u>Cash Receipts</u></b>			
Property Taxes (Prior Years)	\$ 17,582	\$ 4,088	\$ 4,000
Sanitation Charges	\$ 981,859	\$ 990,872	\$ 985,000
Interest Earnings	\$ 44,389	\$ 26,422	\$ 30,000
Insurance Recovery	\$ -	\$ -	\$ -
Miscellaneous Revenue	\$ 15,181	\$ 25	\$ 110,000
<b>Total Cash Receipts</b>	<b>\$ 1,059,011</b>	<b>\$ 1,021,407</b>	<b>\$ 1,129,000</b>
<b><u>Appropriations</u></b>			
Personnel	\$ 690,141	\$ 741,877	\$ 701,556
Operations	\$ 435,266	\$ 511,306	\$ 461,409
Debt Service	\$ -	\$ -	\$ -
Capital	\$ -	\$ 446,446	\$ 110,000
<b>Total Appropriations</b>	<b>\$ 1,125,407</b>	<b>\$ 1,699,629</b>	<b>\$ 1,272,965</b>
<b>Surplus / (Deficit)</b>	<b>\$ (66,396)</b>	<b>\$ (678,222)</b>	<b>\$ (143,965)</b>
Beginning Fund Balance	\$ 1,042,586	\$ 976,190	\$ 297,968
Ending Fund Balance	\$ 976,190	\$ 297,968	\$ 154,004

STORMWATER	Actual FY 2024	Estimated FY 2025	Budget FY 2026
<b><u>Cash Receipts</u></b>			
Property Taxes (Prior Year)	\$ 7,125	\$ -	\$ -
Interest / Penalty	\$ 1,115	\$ 1,386	\$ 1,000
Interest Earnings	\$ 15,591	\$ 19,842	\$ 10,000
Stormwater Fees	\$ 516,809	\$ 501,614	\$ 515,000
<b>Total Cash Receipts</b>	<b>\$ 540,640</b>	<b>\$ 526,632</b>	<b>\$ 526,000</b>
<b><u>Appropriations</u></b>			
Personnel	\$ 184,932	\$ 347,355	\$ 411,174
Operations	\$ 132,480	\$ 77,765	\$ 221,400
Capital	\$ 154,630	\$ 17,227	\$ 12,000
<b>Total Appropriations</b>	<b>\$ 472,042</b>	<b>\$ 442,347</b>	<b>\$ 644,574</b>
<b>Surplus / (Deficit)</b>	<b>\$ 68,597</b>	<b>\$ 84,285</b>	<b>\$ (118,574)</b>
Beginning Fund Balance	\$ 534,414	\$ 603,011	\$ 687,296
Ending Fund Balance	\$ 603,011	\$ 687,296	\$ 568,721

DRUG FUND	Actual FY 2024	Estimated FY 2025	Budget FY 2026
<b><u>Cash Receipts</u></b>			
Impound Fees	\$ -	\$ -	\$ -
Drug Related Fines	\$ 5,829	\$ 5,295	\$ 6,000
DEA Asset Sharing Pmts	\$ -	\$ 38,651	\$ 10,000
Interest Earnings	\$ 1,320	\$ 1,242	\$ 1,200
Sale of Equipment	\$ 4,840	\$ 500	\$ 2,000
Insurance Recovery	\$ -	\$ 7,271	\$ -
Drug Seizures	\$ (4,631)	\$ -	\$ 5,000
<b>Total Cash Receipts</b>	<b>\$ 7,358</b>	<b>\$ 52,958</b>	<b>\$ 24,200</b>
<b><u>Appropriations</u></b>			
Operations	\$ 52,083	\$ 2,211	\$ 81,300
Capital	\$ -	\$ -	\$ -
<b>Total Appropriations</b>	<b>\$ 52,083</b>	<b>\$ 2,211</b>	<b>\$ 81,300</b>
<b>Surplus / (Deficit)</b>	<b>\$ (44,725)</b>	<b>\$ 50,748</b>	<b>\$ (57,100)</b>
Beginning Fund Balance	\$ 80,450	\$ 35,725	\$ 86,473
Ending Fund Balance	\$ 35,725	\$ 86,473	\$ 29,373

IMPOUND FUND	Actual FY 2024	Estimated FY 2025	Budget FY 2026
<b><u>Cash Receipts</u></b>			
Impoundment Charges	\$ -	\$ -	\$ -
Impoundment Fees	\$ -	\$ -	\$ 750
Sale of Equipment	\$ -	\$ -	\$ 4,500
<b>Total Cash Receipts</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 5,250</b>
<b><u>Appropriations</u></b>			
Operations	\$ -	\$ 2,570	\$ 7,900
Capital	\$ -	\$ -	\$ -
<b>Total Appropriations</b>	<b>\$ -</b>	<b>\$ 2,570</b>	<b>\$ 7,900</b>
<b>Surplus / (Deficit)</b>	<b>\$ -</b>	<b>\$ (2,570)</b>	<b>\$ (2,650)</b>
Beginning Fund Balance	\$ 9,300	\$ 9,300	\$ 6,730
Ending Fund Balance	\$ 9,300	\$ 6,730	\$ 4,080

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

<b>Fund</b>	<b>Estimated Fund Balance / Net Position at June 30, 2025</b>
General Fund	\$8,028,499
State Street Aid Fund	\$ 721,911
Solid Waste Fund	\$ 297,698
Stormwater Fund	\$ 687,296
Drug Fund	\$ 86,473
Impound Fund	\$ 6,730

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:

<b>Schedule of Outstanding Debt and Budgeted Debt Service</b>									
<b>Fiscal Year 2026</b>									
<b>Fund</b>	<b>Type of Debt</b>	<b>Loan Name and Description</b>	<b>Original Issuance Amount</b>	<b>Authorized &amp; Unissued</b>	<b>Total Principal Outstanding at June 30 2025</b>	<b>Budgeted Annual Debt Service</b>			<b>Detailed Budget Page Number</b>
						<b>Principal</b>	<b>Interest</b>	<b>Total</b>	
General	Notes	Capital Outlay Note 2023	\$ 190,070		\$ 66,000	\$ 66,000	\$ 2,739	\$ 68,739	10,11
		Capital Outlay Note 2019	1,527,000		681,000	222,000	13,961	235,961	15
		Capital Outlay Note 2023	495,900		388,000	57,000	19,788	76,788	11
		Capital Outlay Note 2024	655,000		504,000	159,000	27,317	186,317	10,11,13,15
		Capital Outlay Note 2025	100,000		100,000	20,340	4,680	25,020	10
		<b>Total</b>	<b>\$ 2,967,970</b>	<b>\$ -</b>	<b>\$ 1,739,000</b>	<b>\$ 524,340</b>	<b>\$ 68,484</b>	<b>\$ 592,824</b>	
State Street Aid	Notes	Capital Outlay Note 2026		\$ 900,000	\$ -	\$ 71,554	\$ 45,000	\$ 116,554	25
								-	
		<b>Total</b>	<b>\$ -</b>	<b>\$ 900,000</b>	<b>\$ -</b>	<b>\$ 71,554</b>	<b>\$ 45,000</b>	<b>\$ 116,554</b>	

<b>Proposed Capital Projects</b>	<b>Proposed Capital Projects - Total Expense</b>	<b>Proposed Capital Projects Expense Financed by Estimated Revenues and/or Reserves</b>	<b>Proposed Capital Projects Expense Financed by Debt Proceeds</b>
Paving Secondary Streets	\$ 700,000.00	\$ -	\$ 700,000.00
Dumptruck Salt Spreader & Snowplow	\$ 200,000.00	\$ -	\$ 200,000.00

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 kpAnn. § 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 \$10,000 by the Mayor, 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: The Governing Body does intend to exceed the Certified Tax Rate in order to capture the projected increase in revenues from property taxes.

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, 2025, the public welfare requiring it.

\_\_\_\_\_  
Mayor Stefanie Dalton (date)

\_\_\_\_\_  
City Recorder Tracey Perry (date)

\_\_\_\_\_  
PASSED ON FIRST READING

\_\_\_\_\_  
PASSED ON SECOND AND FINAL READING

APPROVED AS TO FORM:

\_\_\_\_\_  
City Attorney Arnold Stulce, Jr.