

**ORDINANCE OF THE CITY OF GALLATIN, TENNESSEE,
ADOPTING THE ANNUAL BUDGET FOR THE FISCAL YEAR BEGINNING
JULY 1, 2019 THROUGH JUNE 30, 2020.**

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 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 governing body will consider final passage of the budget.

NOW THEREFORE BE IT ORDAINED BY THE CITY OF GALLATIN, 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 the fiscal year, 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	FY 2018 Actual	FY 2019 Estimated	FY 2020 Proposed
Cash Receipts			
Local Taxes	\$ 22,597,436	\$ 24,216,000	\$ 25,347,100
Licenses and Permits	2,541,736	3,381,300	2,198,950
Intergovernmental Revenue	5,536,892	9,811,990	6,843,050
Charges for Services	2,483,560	2,590,431	2,487,743
Fines and Forfeitures	674,103	594,000	561,750
Uses of Money & Property	386,240	237,800	289,875
Miscellaneous Revenue	605,866	255,225	142,000
Debt Proceeds	-	-	-
Transfers In from other fund	856,360	870,000	890,000
Total Cash Receipts	\$35,682,193	\$41,956,746	\$38,760,468

Appropriations			
City Administration	\$ 901,932	\$ 1,067,170	\$ 996,270
Finance	687,371	589,080	712,059
City Recorder	355,032	475,204	500,113
Insurances	1,091,761	1,274,316	1,379,000
City Attorney	414,809	498,298	527,798
Information Technology	1,190,176	1,561,225	1,627,251
Human Resources	270,119	197,569	289,484
Engineering	2,794,634	7,098,385	2,214,194
Planning Commission	20,152	32,359	34,659
Planning	488,351	772,311	723,019
Government Buildings	602,919	707,307	569,197
Codes	1,052,696	1,385,646	1,456,872
Police Department	7,754,846	9,397,746	9,585,051
A.C.E.S. Program	87,736	110,000	110,000
Fire Department	7,280,123	8,612,905	7,692,130
Public Works Administration	422,795	624,708	337,118
Street Maintenance	1,574,185	1,895,976	1,588,341
Vehicle Maintenance	586,838	667,932	694,752
Community Enhancement	126,000	150,000	171,800
Community Services	133,925	118,925	119,925
Civic Center	1,657,696	1,399,600	1,912,678
Golf Course	722,255	943,825	1,109,056
Parks	2,005,042	2,655,617	1,974,900
Economic Development	556,624	423,107	431,899
Economic Dev Utility	135,912	75,000	75,000
Tourism	32,740	180,000	100,000
Bond Expenses	2,612,906	2,604,260	2,094,335
Operating Transfers	82,000	765,863	-
Total Appropriations	\$ 35,641,575	\$ 46,284,334	\$ 39,026,901
Change in Cash (Rec-Exp)	\$ 40,618	\$ (4,327,588)	\$ (266,433)
Beginning Cash Balance	\$ 15,001,655	\$ 15,042,273	\$ 10,714,686
Ending Cash Balance 6/30	\$ 15,042,273	\$ 10,714,686	\$ 10,448,253
Ending Cash as %	42%	23%	27%

Special Revenue Fund	FY 2018 Actual	FY 2019 Estimated	FY 2020 Proposed
Cash Receipts			
Fines and Forfeitures	\$3,450	\$5,000	\$5,000
Donations	22,830	20,000	20,000
Total Cash Receipts	\$26,280	\$25,000	\$25,000
Appropriations			
Office Supplies	\$ 1,186	\$ 5,000	\$ 5,000
Grants & Donations	28,147	20,000	20,000
Total Appropriations	\$ 29,333	\$ 25,000	\$ 25,000
Change in Cash (Rec-Exp)	\$ (3,053)	\$ -	\$ -
Beginning Cash Balance	\$ 2,670,455	\$ 2,667,402	\$ 2,667,402
Ending Cash Balance 6/30	\$ 2,667,402	\$ 2,667,402	\$ 2,667,402
Ending Cash as %	9094%	10670%	10670%

Stormwater Fund	FY 2018 Actual	FY 2019 Estimated	FY 2020 Proposed
Cash Receipts			
Stormwater Utility Fee	\$0	\$1,700,000	\$1,700,000
Miscellaneous Revenue	0	0	0
Total Cash Receipts	\$0	\$1,700,000	\$1,700,000
Appropriations			
Stormwater Maintenance	\$ -	\$ 897,346	\$ 890,911
Stormwater Administration	\$ -	744,283	804,851
Total Appropriations	\$ -	\$ 1,641,629	\$ 1,695,762
Change in Cash (Rec-Exp)	\$ -	\$ 58,371	\$ 4,238
Beginning Cash Balance	\$ -	\$ -	\$ 58,371
Ending Cash Balance 6/30	\$ -	\$ 58,371	\$ 62,609
Ending Cash as %		4%	4%

IDB/HEHFB Fund	FY 2018 Actual	FY 2019 Estimated	FY 2020 Proposed
Cash Receipts			
Payment in Lieu	\$101,696	\$328,328	\$265,024
Application Fees		3,000	1,500
Total Cash Receipts	\$101,696	\$331,328	\$266,524
Appropriations			
IDB	\$ 5,239	18,900.00	238,673.00
HEHFB		148,571.00	187,451.00
Total Appropriations	\$ 5,239	\$ 167,471	\$ 426,124
Change in Cash (Rec-Exp)	\$ 96,457	\$ 163,857	\$ (159,600)
Beginning Cash Balance	\$ 7,830	\$ 104,287	\$ 268,144
Ending Cash Balance 6/30	\$ 104,287	\$ 268,144	\$ 108,544
Ending Cash as %	1991%	160%	25%

Environmental Serv Fund	FY 2018 Actual	FY 2019 Estimated	FY 2020 Proposed
Cash Receipts			
Residential Collection	\$ 2,023,595	\$ 2,060,000	\$ 2,060,000
Other Revenue	1,058	-	-
Sale of Supplies	52,952	60,000	60,000
Debt Proceeds	-	-	-
Transfer fr General Fund	20,000	65,863	-
Total Cash Receipts	\$2,097,605	\$2,185,863	\$2,120,000
Appropriations			
Enviro Serv Administration	\$ 61,076	115,000	115,000
Waste Collection	1,858,603	2,269,998	2,137,378
Debt Service	\$ -	-	-
Total Appropriations	\$ 1,919,679	\$ 2,384,998	\$ 2,252,378
Change in Cash (Rec-Exp)	\$ 177,926	\$ (199,135)	\$ (132,378)
Beginning Cash Balance	\$ 678,856	\$ 856,782	\$ 657,647
Ending Cash Balance 6/30	\$ 856,782	\$ 657,647	\$ 525,269
Ending Cash as %	45%	28%	23%

Drug Fund	FY 2018 Actual	FY 2019 Estimated	FY 2020 Proposed
Cash Receipts			
Federal DOJ Equitable Share	\$ 19,243	\$ 28,500	\$ 18,000
Drug Fines	83,193	79,500	90,000
Other Revenue	10,329	-	-
Total Cash Receipts	\$112,765	\$108,000	\$108,000
Appropriations			
Drug Investigation/ Control	\$ 106,934	86,000.00	108,000.00
Total Appropriations	\$ 106,934	\$ 86,000	\$ 108,000
Change in Cash (Rec-Exp)	\$ 5,831	\$ 22,000	\$ -
Beginning Cash Balance	\$ 23,262	\$ 29,093	\$ 51,093
Ending Cash Balance 6/30	\$ 29,093	\$ 51,093	\$ 51,093
Ending Cash as %	27%	59%	47%

Water and Sewer Fund	FY 2018 Actual	FY 2019 Estimated	FY 2020 Proposed
Cash Receipts			
Water Sales	\$ 8,716,983	\$ 9,100,000	\$ 9,418,500
Sewer Fees	5,924,365	5,714,750	5,914,750
Tap Fees	1,103,355	550,000	550,000
Donations	2,813,161	-	-
Miscellaneous	1,086,418	585,000	607,000
Debt Proceeds	-	-	-
Total Cash Receipts	\$19,644,282	\$15,949,750	\$16,490,250

Appropriations			
Administrative Department	\$ 1,244,345	\$ 5,282,148	\$ 907,767
Water Department	5,270,041	6,836,732	5,302,508
Sewer Department	4,184,177	5,380,993	4,105,657
Depreciation Expense	3,286,314	3,428,184	3,428,184
Debt Service	1,405,285	3,057,461	3,045,260
Transfers Out - In Lieu	517,760	559,612	559,612
Total Appropriations	\$ 15,907,922	\$ 24,545,130	\$ 17,348,988
Change in Cash (Rec-Exp)	\$ 3,736,359	\$ (8,595,380)	\$ (858,738)
Beginning Cash Balance	\$ 16,132,038	\$ 19,868,397	\$ 11,273,017
Ending Cash Balance 6/30	\$ 19,868,397	\$ 11,273,017	\$ 10,414,279
Ending Cash as %	125%	46%	60%

Gas Fund	FY 2018 Actual	FY 2019 Estimated	FY 2020 Proposed
Cash Receipts			
Gas Sales	\$ 15,691,938	\$ 15,525,000	\$ 15,525,000
Miscellaneous	1,442,722	496,000	546,000
Debt Proceeds	-	-	-
Total Cash Receipts	\$17,134,660	\$16,021,000	\$16,071,000
Appropriations			
Administrative Department	\$ 441,460	\$ 508,546	\$ 543,837
Purchased Gas	10,062,825	11,500,000	11,000,000
Gas Department	5,283,061	5,642,927	3,764,535
Depreciation Expense	1,039,858	900,000	900,000
Debt Service	-	-	390,266
Transfers Out - In Lieu	366,688	302,664	302,664
Total Appropriations	\$ 17,193,892	\$ 18,854,137	\$ 16,901,302
Change in Cash (Rec-Exp)	\$ (59,232)	\$ (2,833,137)	\$ (830,302)
Beginning Cash Balance	\$ 8,525,624	\$ 8,466,392	\$ 5,633,255
Ending Cash Balance 6/30	\$ 8,466,392	\$ 5,633,255	\$ 4,802,953
Ending Cash as %	49%	30%	28%

SECTION 2. At the end of the current fiscal year the governing body estimates balances as follows:

Fund	Estimated Fund Balance as of	30-Jun-19
General Fund	\$ 11,214,686	
Special Revenue Fund	\$ 2,667,402	
Stormwater Fund	\$ 58,371	
IDB/HEHFB Fund	\$ 268,144	
Environmental Serv Fund	\$ 757,647	
Drug Fund	\$ 51,093	
Water/Sewer Fund	\$ 12,773,017	
Gas Fund	\$ 7,633,255	

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 bonded and other indebtedness as follows:

Bonded or Other Indebtedness	Debt Authorized and Unissued	Principal Outstanding at June 30, 2019	FY 2020 Principal Payment	FY 2020 Interest Payment
Bonds				
2014 GO Refunding & Imp		\$ 11,240,000	\$ 875,000	\$ 374,850
2016 GO Improvement		\$ 9,665,000	\$ 480,000	\$ 363,400
2011 W/S Rev Ref & Imp		\$ 7,215,000	\$ 420,000	\$ 222,648
2014 W/S Rev Ref & Imp		\$ 3,500,000	\$ 265,000	\$ 136,375
2015 W/S Rev Ref & Imp		\$ 21,510,000	\$ 1,090,000	\$ 909,888
Capital Lease				
EDA Vehicle		\$ 17,550	\$ 7,020	\$ 1,763

SECTION 4. During the coming fiscal year the governing body has pending and planned capital projects with proposed funding as follows:

Proposed Capital Projects	Proposed Amount Financed by Appropriations	Proposed Amount Financed by Debt
Water/Sewer lines	\$ 1,000,000.00	
Gas lines	\$ 1,000,000.00	
Gas equipment	\$ 305,000.00	
Road projects	\$ 230,000.00	
Police and Fire communication infrastructure	\$ 116,500.00	
Civic Center building improvements	\$ 350,000.00	
Golf Clubhouse improvements	\$ 150,000.00	
Stormwater drainage projects	\$ 400,000.00	
Stormwater vehicles/equipment	\$ 180,000.00	
Environmental services vehicles	\$ 250,000.00	

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. Sec. 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. Sec. 6-56-205.

SECTION 6. Money may be transferred from one appropriation to another in the same fund only by appropriate ordinance by the governing body, subject to such limitations and procedures as it may describe as allowed by Tenn. Code Ann. Sec. 6-56-209.

- 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 Tenn. Code Ann. Sec. 6-56-206 will be attached.
- SECTION 8. This annual operating and capital budget ordinance and supporting documents shall be submitted to the Comptroller of the Treasury or the 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 the Comptroller's Designee in accordance with Title 9, Chapter 21 of the Tennessee Code Annotated (the "Statutes"). If the Comptroller of the Treasury or the 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 the 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 the Comptroller's Designee.
- SECTION 9. 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 excluding capital until the adoption of the new budget ordinance in accordance with Tenn. Code Ann. Sec. 6-56-210, provided sufficient revenues are being collected to support the continuing appropriations. Approval of the Director of the Office of State and Local Finance in the Comptroller of the Treasury for a continuation budget will be requested if any indebtedness is outstanding.
- 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. This ordinance shall take effect on July 1, 2019, the public welfare requiring it.

Passed First Reading: May 21, 2019.

Passed Second and Final Reading: June 4, 2019.

Mayor Paige Brown

Approved as to Form: Susan High-McAuley, City Attorney

Attest: Connie Kittrell, City Recorder

(City Seal)

General	
City Administration	996,270.00
Finance	712,059.00
City Recorder	500,113.00
Insurances	1,379,000.00
City Attorney	527,798.00
Information Technology	1,627,251.00
Human Resources	289,484.00
Engineering	2,214,194.00
Planning Commission	34,659.00
Planning	723,019.00
Government Buildings	569,197.00
Codes	1,456,872.00
Police Department	9,585,051.00
A.C.E.S. Program	110,000.00
Fire Department	7,692,130.00
Public Works Administration	337,118.00
Street Maintenance	1,588,341.00
Vehicle Maintenance	694,752.00
Community Enhancement	171,800.00
Community Services	119,925.00
Civic Center	1,912,678.00
Golf Course	1,109,056.00
Parks	1,974,900.00
Economic Development	431,899.00
Economic Development Utility	75,000.00
Tourism	100,000.00
Bond Expenses	2,094,335.00
Operating Transfers	-
SOR	5,000
Police Special	20,000
Stormwater Mainenance	890,911
Stormwater Administration	804,851
IDB	238,673
HEHFB	187,451
Environmental Serv Admin	115,000
Waste Collections	2,137,378
Drug Fund Investigations	108,000

Water/Sewer	
Water Treatment and Pumping	1,822,230
Transmission & Distribution	2,756,303
Customer Accounting	723,974
Administration & General	1,467,379
Depreciation	3,428,184
Bond Expense	3,043,911
Paying Agent	1,350
Sewer Collection/Lines	1,334,141
Sewer System Rehabilitation	525,014
Sewer Treatment & Disposal	1,820,230
Sewer Admin & General	319,341
Sewer Pre-treatment Program	106,931

Gas	
Depreciation	900,000
Bond Expenses	390,266
Purchased Gas	11,000,000
Transmission & Distribution	3,063,919
Customer Accounting	700,616
Administration & General	846,501

Summary of the City Budget
 For the Fiscal Year Ending June 30, 2020

	Actual 2017-18	Estimated 2018-19	Estimated 2019-20
GENERAL FUND			
REVENUES			
Local Taxes	23,453,796	25,086,000	26,237,100
State of Tennessee	5,516,622	6,700,100	6,231,000
Federal Government	20,271	3,111,890	612,050
Other Sources	6,691,505	7,058,756	5,680,318
Total Revenues	35,682,194	41,956,746	38,760,468
EXPENDITURES			
Salaries	21,547,344	23,362,205	25,663,109
Other Costs	14,094,231	22,922,129	13,342,133
Total Expenditures	35,641,575	46,284,334	39,005,242
Beginning Balances - July 1	15,001,655	15,042,274	10,714,686
Ending Balances - June 30	15,042,274	10,714,686	10,469,912
Employment	419	442	446
DEBT SERVICE FUND	within General Fund		
STREET FUND	within General Fund		