

ORDINANCE NO.: 2017-07

AN ORDINANCE OF THE TOWN OF SIGNAL MOUNTAIN, TENNESSEE ADOPTING THE ANNUAL BUDGET AND TAX RATE FOR THE FISCAL YEAR BEGINNING JULY 1, 2017 AND ENDING JUNE 30, 2018 HEREINAFTER KNOWN AS THE "FY 2017-2018 BUDGET ORDINANCE".

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 Town Council adopt and operate under an annual budget ordinance presenting a financial plan with at least the information required by that state statute; and

WHEREAS, the Municipal Budget Law of 1982, sets forth provisions specifying limitations and procedures of operations under the annual budget ordinance; and

WHEREAS, the Signal Mountain Town Council has published the annual operating budget and budgetary comparisons of the proposed budget as required by *Tennessee Code Annotated* § 6-56-206 (b); and

WHEREAS, pursuant to and in compliance with the provisions of the Charter of the Town of Signal Mountain, Tennessee, revenue has been estimated for operating the municipal government for fiscal year 2017-2018 from all Town revenue sources; and

WHEREAS, the Signal Mountain Town Council is authorized to adopt an ordinance establishing the fiscal year 2017-2018 annual budget pursuant to the Charter of the Town of Signal Mountain.

BE IT ORDAINED BY THE TOWN COUNCIL OF THE TOWN OF SIGNAL MOUNTAIN, TENNESSEE, THAT:

SECTION 1. That the Town Council of the Town of Signal Mountain, Tennessee estimates anticipated revenues of the Town from all sources for the fiscal year beginning July 1, 2017 and ending June 30, 2018 to be as hereinafter set out on the attached FY 2017-2018 Budget.

SECTION 2. That the Town Council of the Town of Signal Mountain, Tennessee appropriates from these anticipated revenues and unexpended and unencumbered funds the budgets of the various departments, agencies, boards, commissions, offices, divisions or branches of Town government for the fiscal year beginning July 1, 2017 and ending June 30, 2018 to be as hereinafter set out on the attached FY 2017-2018 Budget.

SECTION 3. At the end of the current fiscal year (June 30, 2017) the Town Council for the Town of Signal Mountain, Tennessee estimates fund balances to be as hereinafter set out on the attached FY 2017-2018 Budget.

SECTION 4. That the Signal Mountain Town Council recognizes that the municipality has bonded and other indebtedness as hereinafter set out on the attached FY 2017-2018 Budget.

SECTION 5. During the coming fiscal year 2017-2018, the Signal Mountain Town Council has planned capital projects and proposed funding as hereinafter set out on the attached FY 2017-2018 Budget.

SECTION 6. During the FY 2017-2018 budget year, the Town Manager is hereby

authorized to make necessary transfers between line items within departmental budgets. Pursuant to *Tennessee Code Annotated* § 6-56-209, the Town Manager is further authorized to make necessary transfers from one appropriation (department) to another within the same fund; however, any such transfer may not exceed Ten Thousand Dollars (\$10,000.00) and must be reported to the Town Council at its next regularly scheduled meeting and shall be entered in the minutes of that meeting.

SECTION 7. As a result of the 2017 reassessment of Town properties by the Hamilton County Assessor, the certified (revenue neutral) tax rate is 1.396517345.

In fiscal year 2016-2017, the Town Council dedicated \$0.15 of the tax rate for the payment of bond obligations for the Signal Mountain Middle High School bond debt. In this fiscal year (2017-2018) the Town Council retires the obligation for the \$0.15 of the tax rate and will pay in full such bonded indebtedness of the Town. This obligation is subject to language in the referendum authorizing a specific tax increase for bond financing of the Signal Mountain Middle High School which stated that this “tax increase shall be eliminated after repayment of the bonded indebtedness for this construction project.”

Due to the loss of revenue generated by the Hall Tax, increased operational costs and additional debt service obligations, the Town Council has determined that for the purpose of raising revenue to operate the various departments, agencies, boards, commissions, offices, divisions or branches of the municipal government, and to pay the interest on and retire bonds of the Town as they mature, an additional \$0.32 on the tax rate is necessitated.

Therefore, a tax shall be and is hereby levied for the year 2017 on all taxable property within the Town of Signal Mountain, Tennessee, at the rate of \$1.5665 upon every \$100.00 in

assessed value of such taxable property and to the extent applicable, there is also levied a tax at the same rate upon every \$100.00 of merchant and other ad valorem taxable items within the corporate limits of the Town of Signal Mountain, Tennessee.

SECTION 8. If for any reason this 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 a new budget ordinance in accordance with *Tennessee Code Annotated* § 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 the continuation budget will be requested if any indebtedness is outstanding.

SECTION 9. 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, Tennessee Code Annotated. If the Comptroller of the Treasury or Designee determines that the budget does not comply with applicable statutes, the Signal Mountain Town Council shall adjust its estimates or make additional tax levies sufficient to comply with said statutes, or as directed by the Comptroller of the Treasury or Designee.

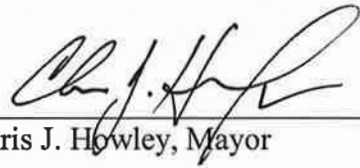
SECTION 10. All unencumbered balances of appropriations remaining at the end of the fiscal year shall lapse and revert to the respective fund balances.

SECTION 11. All ordinances or parts of ordinances in conflict with any provision of this ordinance are hereby repealed.

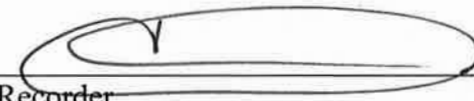
SECTION 12. This ordinance shall take effect after the second and final reading, the public welfare requiring it.

Passed First Reading: August 4, 2017

Passed Second Reading: August 14, 2017



Chris J. Howley, Mayor



Recorder

**TOWN OF SIGNAL MOUNTAIN
FISCAL YEAR 7/1/2017 - 6/30/2018 BUDGET**

**SECTION 1.
REVENUES**

	Actual <u>2015-2016</u>	Projected <u>2016-2017</u>	Budget <u>2017-2018</u>
GENERAL FUND			
Local taxes	\$ 4,798,666.91	\$ 4,742,075	\$ 5,305,015
Intergovernmental	1,611,710.89	1,446,820	1,364,700
Charges for services	156,367.19	148,979	171,898
Fines, forfeitures, penalties	37,769.45	35,000	35,000
License & permits	68,627.90	54,795	64,895
Miscellaneous revenue	128,417.10	105,878	89,878
Total Revenue	\$ 6,801,559.44	\$ 6,533,547	\$ 7,031,386
Beginning Cash Balance	6,585,628.26	6,229,428	5,011,514
Total Available Funds	\$ 13,387,187.70	\$ 12,762,975	\$ 12,042,900
STATE STREET AID			
Intergovernmental - State	\$	\$ 34,300	\$ 616,620
Intergovernmental - Federal	8,563.20	40,000	507,981
State Gas & Motor Fuel	229,931.31	24,000	220,000
Miscellaneous revenues	193.65	100	0
Operating transfers in	606,288.00	625,000	300,000
Total Revenue	\$ 844,976.16	\$ 723,400	\$ 1,644,601
Beginning Cash Balance	400,278.96	378,940	356,907
Total Available Funds	\$ 1,245,255.12	\$ 1,102,340	\$ 2,001,508
POLICE DRUG FUND			
Fines, forfeitures, penalties	\$ 16,983.77	\$ 1,750	\$ 1,750
Other revenue	6.77	0	0
Total Revenue	\$ 16,990.54	\$ 1,750	\$ 1,750
Beginning Cash Balance	12,151.83	23,193	18,443
Total Available Funds	\$ 29,142.37	\$ 24,943	\$ 20,193
LIBRARY BOARD FUND			
Revenue	\$ 7,463.05	\$ 0	\$ 0
Total Revenue	\$ 7,463.05	\$ 0	\$ 0
Beginning Cash Balance	24,384.01	20,012	17,012
Total Available Funds	\$ 31,847.06	\$ 20,012	\$ 17,012
VEHICLE REPLACEMENT FUND			
Operating transfers in	\$ 339,340.05	\$ 480,032	\$ 294,893
Miscellaneous revenue	5,871.51	150	0
Total Revenue	\$ 345,211.56	\$ 480,182	\$ 294,893
Beginning Cash Balance	373,332.11	496,231	470,594
Total Available Funds	\$ 718,543.67	\$ 976,413	\$ 765,487
CAPITAL PROJECTS FUND - BUILDING CONSTRUCTION			
Sale of Notes	\$ 925,221.55	\$ 1,240,230	\$ 3,520,000
Contributions	85,000.00	0	0
Miscellaneous revenue	179.90	0	0
Total Revenue	\$ 1,010,401.45	\$ 1,240,230	\$ 3,520,000
Beginning Cash Balance	595,418.56	443,600	443,600
Total Available Funds	\$ 1,605,820.01	\$ 1,683,830	\$ 3,963,600

**TOWN OF SIGNAL MOUNTAIN
FISCAL YEAR 7/1/2017 - 6/30/2018 BUDGET**

	<u>Actual</u> <u>2015-2016</u>	<u>Projected</u> <u>2016-2017</u>	<u>Budget</u> <u>2017-2018</u>
WATER FUND			
User fees & other revenue	\$ 1,398,751.35	\$ 1,381,000	\$ 1,381,000
Total Revenue	\$ 1,398,751.35	\$ 1,381,000	\$ 1,381,000
Beginning Cash Balance	3,427,954.00	3,510,574	1,924,557
Total Available Funds	\$ 4,826,705.35	\$ 4,891,574	\$ 3,305,557
STORMWATER FUND			
User fees	\$ 300,853.39	\$ 275,644	\$ 275,644
Miscellaneous revenue	341.58	240	240
Total Revenue	\$ 301,194.97	\$ 275,884	\$ 275,884
Beginning Cash Balance	724,831.31	784,445	675,178
Total Available Funds	\$ 1,026,026.28	\$ 1,060,329	\$ 951,062
SANITATION FUND			
Local taxes/revenues	\$ 32,880.75	\$ 30,000	\$ 30,000
Miscellaneous revenues	27,827.63	27,100	31,554
Operating transfers in	520,743.74	540,607	564,323
Total Revenue	\$ 581,452.12	\$ 597,707	\$ 625,877
Beginning Cash Balance	249,966.48	241,918	54,548
Total Available Funds	\$ 831,418.60	\$ 839,625	\$ 680,425
FLEET SERVICES FUND - INTERNAL SERVICE FUND			
Charges for services	\$	\$ 165,000	\$ 165,000
Total Revenue	\$ 0.00	\$ 165,000	\$ 165,000
Beginning Cash Balance	0.00	0	0
Total Available Funds	\$ 0.00	\$ 165,000	\$ 165,000
<u>SECTION 2.</u>			
<u>APPROPRIATIONS</u>			
GENERAL FUND			
Judicial	\$ 49,068.89	\$ 54,690	\$ 59,236
Administration	419,698.53	357,638	411,282
Finance	210,289.83	219,264	231,218
Building & Codes	163,053.00	154,230	164,545
Police	1,346,422.06	1,484,493	1,570,858
Fire	1,645,943.81	1,714,986	1,766,248
Public Works	632,811.56	809,195	857,157
Mountain Arts Community Center	172,895.77	159,765	177,094
Parks & Recreation	482,940.46	546,113	551,757
Facilities Maintenance	207,312.77	357,808	679,271
Library	148,205.18	193,353	194,028
Debt Service	552,086.43	530,549	480,366
Transfer to Sanitation Fund	520,743.74	540,607	564,323
Transfer to State Street Aid Fund	606,288.00	628,770	300,000
Total Appropriations	\$ 7,157,760.03	\$ 7,751,461	\$ 8,007,384
Surplus/(Deficit)	(356,200.59)	(1,217,914)	(975,998)
Ending Cash Balance	\$ 6,229,427.67	\$ 5,011,514	\$ 4,035,516
STATE STREET AID			
All regular expenditures	\$ 866,315.20	\$ 745,433	\$ 1,667,365
Total Appropriations	\$ 866,315.20	\$ 745,433	\$ 1,667,365
Surplus/(Deficit)	(21,339.04)	(22,033)	(22,764)
Ending Cash Balance	\$ 378,939.92	\$ 356,907	\$ 334,143

**TOWN OF SIGNAL MOUNTAIN
FISCAL YEAR 7/1/2017 - 6/30/2018 BUDGET**

	<u>Actual 2015-2016</u>	<u>Projected 2016-2017</u>	<u>Budget 2017-2018</u>
POLICE DRUG FUND			
All expenditures	\$ 5,948.98	\$ 6,500	\$ 4,500
Total Appropriations	\$ 5,948.98	\$ 6,500	\$ 4,500
Surplus/(Deficit)	11,041.56	(4,750)	(2,750)
Ending Cash Balance	\$ 23,193.39	\$ 18,443	\$ 15,693
LIBRARY BOARD FUND			
All expenditures	\$ 11,835.00	\$ 3,000	\$ 3,000
Total Appropriations	\$ 11,835.00	\$ 3,000	\$ 3,000
Surplus/(Deficit)	(4,371.95)	(3,000)	(3,000)
Ending Cash Balance	\$ 20,012.06	\$ 17,012	\$ 14,012
VEHICLE REPLACEMENT FUND			
All expenditures	\$ 222,312.86	\$ 505,819	\$ 476,000
Total Appropriations	\$ 222,312.86	\$ 505,819	\$ 476,000
Surplus/(Deficit)	122,898.70	(25,637)	(181,107)
Ending Cash Balance	\$ 496,230.81	\$ 470,594	\$ 289,487
CAPITAL PROJECTS FUND - BUILDING CONSTRUCTION			
All expenditures	\$ 1,162,220.01	\$ 1,240,230	\$ 3,520,000
Total Appropriations	\$ 1,162,220.01	\$ 1,240,230	\$ 3,520,000
Surplus/(Deficit)	(151,818.56)	0	0
Ending Cash Balance	\$ 443,600.00	\$ 443,600	\$ 443,600
WATER FUND			
All expenditures	\$ 1,316,131.35	\$ 2,967,017	\$ 2,311,025
Total Appropriations	\$ 1,316,131.35	\$ 2,967,017	\$ 2,311,025
Surplus/(Deficit)	82,620.00	(1,586,017)	(930,025)
Ending Cash Balance	\$ 3,510,574.00	\$ 1,924,557	\$ 994,532
STORMWATER FUND			
All expenditures	\$ 241,581.28	\$ 385,151	\$ 422,093
Total Appropriations	\$ 241,581.28	\$ 385,151	\$ 422,093
Surplus/(Deficit)	59,613.69	(109,267)	(146,209)
Ending Cash Balance	\$ 784,445.00	\$ 675,178	\$ 528,969
SANITATION FUND			
All expenditures	\$ 589,500.77	\$ 785,077	\$ 625,877
Total Appropriations	\$ 589,500.77	\$ 785,077	\$ 625,877
Surplus/(Deficit)	(8,048.65)	(187,370)	0
Ending Cash Balance	\$ 241,917.83	\$ 54,548	\$ 54,548
FLEET SERVICES FUND - INTERNAL SERVICE FUND			
All expenditures	\$ 0.00	\$ 165,000	\$ 165,000
Total Appropriations	\$ 0.00	\$ 165,000	\$ 165,000
Surplus/(Deficit)	0.00	0	0
Ending Cash Balance	\$ 0.00	\$ 0	\$ 0

**TOWN OF SIGNAL MOUNTAIN
FISCAL YEAR 7/1/2017 - 6/30/2018 BUDGET**

SECTION 3.

	Fund Balance (as of 6/30/2017)
GENERAL FUND	\$ 4,948,714
STATE STREET AID	\$ 356,907
POLICE DRUG FUND	\$ 18,423
LIBRARY BOARD FUND	\$ 17,012
VEHICLE REPLACEMENT FUND	\$ 466,260
CAPITAL PROJECTS FUND - BUILDING CONSTRUCTION	\$ 288,988
WATER FUND	\$ 2,008,208
STORMWATER FUND	\$ 628,220
SANITATION FUND	\$ 27,737
FLEET SERVICES FUND - INTERNAL SERVICE FUND	\$ 0

SECTION 4.

Bonded or Other Indebtedness	Debt Principal	Interest Requirements	Debt Authorized and Unissued	Principal Outstanding at June 30, 2017
Notes - 2007	\$ 93,948	\$ 1,722	\$ 0	\$ 93,948
Notes - 2015	\$ 137,000	\$ 54,143	\$ 1,182,075	\$ 1,547,925
Notes - 2017 **	\$ 134,000	\$ 59,553	\$ 3,000,000	\$

** This note has not yet been processed. Upon completion, documents will be submitted to the TN Municipal Bond Agency and the State Comptrollers Office. The full loan amount was budgeted to be drawn down in FY 2017-2018 in order to show the General Funds ability to pay the required related debt service payments.

SECTION 5.

Proposed Capital Expenditures (All Funds)	Proposed Amount Financed by Appropriations	Proposed Amount Financed by Debt
Building and grounds improvements	\$ 236,500	
Building construction	\$ 3,520,000	\$ 3,520,000
Bullet proof vests		
Drainage improvement	\$ 75,000	
EDP and software	\$ 96,077	
Equipment - various	\$ 40,500	
Mounted speakers		
Playground Equipment	\$ 30,000	
Radios	\$ 10,000	
Road and bridge replacement, repair, and maintenance	\$ 1,154,304	
Sidewalk replacement, repair, and maintenance	\$ 62,561	
Thermal imaging camera	\$ 10,000	
Mountain Arts Community Center Building Improvements	\$ 300,000	
Vehicles, equipment, and machinery	\$ 652,000	
Vehicle replacement plan contributions	\$ 294,894	
Water line replacment, repair, and maintenance	\$ 330,000	
	\$ 6,811,836	\$ 3,520,000