

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

- 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 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 Board of Mayor and Councilman 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 BOARD OF MAYOR AND ALDERMEN
OF THE CITY OF LENOIR 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 2025, 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	Estimated	Budgeted
	FY 2024	Actual FY 2025	FY 26
Revenues			
Local Taxes	\$ 6,883,231	\$ 6,896,681	\$ 6,929,605
Licenses and Permits	326,905	651,250	519,900
Fines and Penalties	259,207	225,200	251,000
Facilities and Services	1,116,552	1,073,530	1,074,630
Intergovernmental	2,132,035	1,952,465	2,027,800
Miscellaneous Revenues	566,970	514,750	590,100
Other Financing Sources:			
Issuance of Debt	-	-	-
Transfers in - from other funds	8,414	-	-
Transfers in - from other funds (Pilot)	4,317,516	4,348,229	4,440,714
Total Revenues and Other Financing Sources	\$ 15,610,830	\$ 15,662,105	\$ 15,833,749
Appropriations			
Expenditures			
General Government	\$ 4,426,631	\$ 4,770,693	\$ 5,042,886
Police Department	3,462,538	3,686,264	4,442,316
Fire Department	1,941,948	1,896,722	2,169,398
Codes and Buildings	176,479	163,402	305,651
Highways and Streets	1,760,117	1,724,934	1,330,401
Recreation	1,315,094	1,371,870	1,961,098
Debt Service - Principal and Interest	927,589	952,716	932,211
Other Financing Uses:			
Transfers out - to other funds	278,000	914,000	164,000
Total Appropriations	\$ 14,288,396	\$ 15,480,601	\$ 16,347,961
Change in Fund Balance	\$ 1,322,434	\$ 181,505	\$ (514,212)
Beginning Fund Balance	\$ 7,096,006	\$ 8,418,440	\$ 8,599,945
Ending Fund Balance	\$ 8,418,440	\$ 8,599,945	\$ 8,085,733
Ending Fund Balance as % of Appropriations	58.92%	55.55%	49.46%

State Street Aid Fund	Actual	Estimated	Budgeted
	FY 2024	Actual FY 2025	FY 26
Revenues			
State Gas and Motor Fuel Taxes	\$ 354,083	\$ 350,000	\$ 425,000
Miscellaneous Revenues	4,702	1,900	2,500
Total Revenues	\$ 358,785	\$ 351,900	\$ 427,500
Appropriations			
Expenditures			
State Street Aid Expenditures	\$ 202,178	\$ 465,000	\$ 420,000
Total Appropriations	\$ 202,178	\$ 465,000	\$ 420,000
Change in Fund Balance	\$ 156,607	\$ (113,100)	\$ 7,500
Beginning Fund Balance	\$ 64,769	\$ 221,376	\$ 108,276
Ending Fund Balance	\$ 221,376	\$ 108,276	\$ 115,776
Ending Fund Balance as % of Appropriations	109.50%	23.29%	27.57%

Downtown VIP Revenues	Actual FY 2024	Estimated Actual FY 2025	Budgeted FY 26
Contributions and Gifts	\$ -	\$ 41,000	\$ 40,000
Miscellaneous Revenues	4,957	500	500
Other Financing Sources:			
Transfers in - from other funds	114,000	-	-
Total Revenues and Other Financing Sources	\$ 118,957	\$ 41,500	\$ 40,500
Appropriations			
Expenditures			
Special Projects- Downtown Improvements	-	-	85,000
Total Appropriations	\$ -	\$ -	\$ 85,000
Change in Fund Balance	\$ 118,957	\$ 41,500	\$ (44,500)
Beginning Fund Balance	\$ (69,556)	\$ 49,401	\$ 90,901
Ending Fund Balance	\$ 49,401	\$ 90,901	\$ 46,401
Ending Fund Balance as % of Appropriations	0.00%	0.00%	54.59%

Sanitation Fund Revenues	Actual FY 2024	Estimated Actual FY 2025	Budgeted FY 26
Charges for Services	\$ 717,668	\$ 728,000	\$ 775,000
Total Revenues	\$ 717,668	\$ 728,000	\$ 775,000
Appropriations			
Expenses			
Sanitation Services	\$ 692,532	\$ 770,500	\$ 772,500
Other Financing Uses:			
Transfers out - to other funds	8,414	-	-
Total Appropriations	\$ 700,946	\$ 770,500	\$ 772,500
Change in Fund Balance	\$ 16,722	\$ (42,500)	\$ 2,500
Beginning Fund Balance	\$ 43,763	\$ 60,485	\$ 17,985
Ending Fund Balance	\$ 60,485	\$ 17,985	\$ 20,485
Ending Fund Balance as % of Appropriations	8.63%	2.33%	2.65%

Capital Projects Revenues	Actual FY 2024	Estimated Actual FY 2025	Budgeted FY 26
Federal Grants	\$ 601,341	\$ 4,078,670	\$ 1,080,681
Miscellaneous Revenues	43,148	46,200	37,200
Other Financing Sources:			
Transfers in - from other funds	-	750,000	-
Total Revenues	\$ 644,489	\$ 4,874,870	\$ 1,117,881
Appropriations			
Expenses			
Capital Projects Expenditures	\$ 363,640	\$ 4,900,338	\$ 1,448,500
Total Appropriations	\$ 363,640	\$ 4,900,338	\$ 1,448,500
Change in Fund Balance	\$ 280,849	\$ (25,468)	\$ (330,619)
Beginning Fund Balance	\$ 879,698	\$ 1,160,547	\$ 1,135,079
Ending Fund Balance	\$ 1,160,547	\$ 1,135,079	\$ 804,460
Ending Fund Balance as % of Appropriations	319.15%	23.16%	55.54%

Debt Service - Event Center	Actual	Estimated	Budgeted
Revenues	FY 2024	Actual FY 2025	FY 26
Miscellaneous Revenues	\$ 9,917	\$ 4,500	\$ 4,000
Total Revenues	\$ 9,917	\$ 4,500	\$ 4,000
Appropriations			
Expenses	\$ -	\$ -	\$ -
Total Appropriations	\$ -	\$ -	\$ -
Change in Fund Balance	\$ 9,917	\$ 4,500	\$ 4,000
Beginning Fund Balance	\$ 256,721	\$ 266,638	\$ 271,138
Ending Fund Balance	\$ 266,638	\$ 271,138	\$ 275,138
Ending Fund Balance as % of Appropriations	0.00%	0.00%	0.00%

Ninth Judicial Task Force	Actual	Estimated	Budgeted
Revenues	FY 2024	Actual FY 2025	FY 26
9th DTF Revenue	\$ 48,760	\$ -	\$ -
Forfeits	-	3,000	10,000
Miscellaneous	131	200	200
Total Revenues	\$ 48,891	\$ 3,200	\$ 10,200
Appropriations			
Expenses			
Machinery and Equipment	\$ -	\$ -	\$ -
Miscellaneous	3,012	-	75,000
Total Appropriations	\$ 3,012	\$ -	\$ 75,000
Change in Fund Balance	\$ 45,879	\$ 3,200	\$ (64,800)
Beginning Fund Balance	\$ 26,908	\$ 72,787	\$ 75,987
Ending Fund Balance	\$ 72,787	\$ 75,987	\$ 11,187
Ending Fund Balance as % of Appropriations	2416.57%	0.00%	14.92%

DEA Fund	Actual	Estimated	Budgeted
Revenues	FY 2024	Actual FY 2025	FY 26
Justice Funds	\$ -	\$ 1,000	\$ 15,000
Miscellaneous Revenues	4,450	850	750
Total Revenues	\$ 4,450	\$ 1,850	\$ 15,750
Appropriations			
Expenditures			
DEA Expenditures	3,235	73,500	36,500
Total Appropriations	\$ 3,235	\$ 73,500	\$ 36,500
Change in Fund Balance	\$ 1,215	\$ (71,650)	\$ (20,750)
Beginning Fund Balance	\$ 92,286	\$ 93,501	\$ 21,851
Ending Fund Balance	\$ 93,501	\$ 21,851	\$ 1,101
Ending Fund Balance as % of Appropriations	2890.29%	29.73%	3.02%

Drug Fund Revenues	Actual FY 2024	Estimated Actual FY 2025	Budgeted FY 26
Drug Related Fines	\$ 43,487	\$ 32,000	\$ 42,000
Forfeited Funds	4,514	3,000	1,500
Interest Earnings	5,589	750	1,000
Sale of Equipment	-	39,000	5,000
Miscellaneous Revenues	13	-	-
Total Revenues	\$ 53,603	\$ 74,750	\$ 49,500
Appropriations			
Expenditures			
Drug Fund Expenditures	112,490	54,860	88,500
Total Appropriations	\$ 112,490	\$ 54,860	\$ 88,500
Change in Fund Balance	\$ (58,887)	\$ 19,890	\$ (39,000)
Beginning Fund Balance	\$ 100,665	\$ 41,778	\$ 61,668
Ending Fund Balance	\$ 41,778	\$ 61,668	\$ 22,668
Ending Fund Balance as % of Appropriations	37.14%	112.41%	25.61%

Stormwater Revenues	Actual FY 2024	Estimated Actual FY 2025	Budgeted FY 26
Stormwater Operating Revenues	\$ 564,421	\$ 570,000	\$ 575,000
Stormwater Operating Expenses	\$ 554,774	\$ 929,440	\$ 1,019,307
Net Operating Income (Expense)	\$ 9,647	\$ (359,440)	\$ (444,307)
Net Operating Revenues (Expenses)	\$ 226,466	\$ 305,432	\$ 350,000
Change in Net Position	\$ 236,113	\$ (54,008)	\$ (94,307)
Beginning Net Position	\$ 3,426,999	\$ 3,663,112	\$ 3,609,104
Ending Net Position	\$ 3,663,112	\$ 3,609,104	\$ 3,514,797
Ending Net Position as % of Appropriations	660.29%	388.31%	345%

SECTION 2: At the end of the current fiscal year the governing body estimates balances/(deficits) as follows:

General Fund	\$ 8,599,945
State Street Aid Fund	\$ 108,276
Downtown VIP	\$ 90,901
Sanitation Fund	\$ 17,985
Capital Projects	\$ 1,135,079
Debt Service	\$ 271,138
Ninth Judicial	\$ 75,987
DEA	\$ 21,851
Drug Fund	\$ 61,668
Stormwater	\$ 3,609,104

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

Type of Indebtedness	Debt Authorized and Unissued	Principal Outstanding at June 30, 2024	FY 2025 Debt Interest	FY 2025 Debt Principal
TML Series 2008	\$ 3,199,000	\$ 145,000	\$ 181,000	
TML Series 2015	\$ 1,210,000	\$ 65,000	\$ 104,000	
TML Series 2016	\$ 1,079,000	\$ 60,000	\$ 52,415	
Rural Development 2016	\$ 6,145,744	\$ 144,615	\$ 127,701	

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

Pending Capital Projects	Pending Expenses	Financed by Estimated Revenues or Reserves	Financed by Debt Proceeds	Financed by Grants/Contributions
Public Safety Training Facility	\$ 800,000	\$ 444,319	\$ -	\$ 355,681
Hwy 321 Fiber Optic Project	\$ 1,000,000	\$ -	\$ -	\$ 1,000,000

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 (TCA § 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 Tennessee Code Annotated § 6-56-205.

SECTION 6: Money may be transferred from one appropriation to another in the same fund in an amount of up to \$1,000.00 by Recorder, subject to such limitations and procedures as set in the Budget Policy adopted by the Board of Councilmen on December 19, 1954 by Section 6-56-209 the Tennessee Code Annotated. Any resulting transfers shall be reported to the governing body at its next regular meeting and entered into the minutes.

SECTION 7: 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 Section 6-56-206, Tennessee Code Annotated will be attached.

SECTION 8: There is hereby levied a property tax of **0.09455** 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 if the Town/City has notes issued pursuant to Title 9, Chapter 21, Tennessee Code Annotated or loan agreements with a public building authority issued pursuant to Title 12, Chapter 10, Tennessee Code Annotated approved by the Comptroller of the Treasury or Comptroller's Designee within fifteen (15) day 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, Tennessee Code Annotated (the "Statutes".) 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. If the government 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 Comptroller's Designee.

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

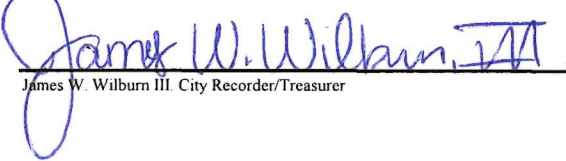
SECTION 11: All ordinances or parts of ordinances in conflict with any provisions of this ordinance are hereby repealed.

SECTION 12: This ordinance shall take effect **July 1st, 2025**, the public welfare requiring it.

First Reading: 6/09/2025
 Second Reading: 6/23/2025
 Public Hearing: 6/23/2025



 Tony Aikens, Mayor



 James W. Wilburn III, City Recorder/Treasurer

City Seal

