

ORDINANCE O-2020-005

**AN ORDINANCE APPROPRIATING FUNDS FOR THE VARIOUS DEPARTMENTS,
CAPITAL PROJECTS AND PUBLIC BUILDING AUTHORITY OF THE CITY OF
SEVIERVILLE FOR THE FISCAL PERIOD JULY 1, 2020 - JUNE 30, 2021 AND
ESTABLISHING A PROPERTY TAX RATE FOR TAX YEAR 2020**

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 Aldermen 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 SEVIERVILLE, TENNESSEE, that:

SECTION 1. That the governing body projects anticipated revenues from all sources and appropriates planned expenditures for each department 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 2021, 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 2019	Estimated Actual FY 2020	Budget FY 2021
Cash Receipts			
Local Taxes	\$ 32,618,342	\$ 33,699,531	\$ 30,242,270
Licenses And Permits	\$ 297,436	\$ 223,957	\$ 225,720
Intergovernmental	\$ 2,374,258	\$ 2,330,879	\$ 2,355,959
Charges For Services	\$ 5,867,485	\$ 6,057,349	\$ 6,165,665
Fines And Forfeitures	\$ 236,380	\$ 277,000	\$ 274,000
Other Revenue	\$ 754,792	\$ 433,968	\$ 403,584
Debt Proceeds	\$ -	\$ 8,868,449	\$ -
Transfers In - from other funds	\$ 2,935,531	\$ 3,004,954	\$ 3,167,938
Total Cash Receipts	\$ 45,084,224	\$ 54,896,087	\$ 42,835,136
Appropriations			
Legislative Board	\$ 166,229	\$ 185,066	\$ 152,758
Legal	\$ 181,692	\$ 248,400	\$ 251,000
Administration	\$ 594,218	\$ 622,109	\$ 694,168
Finance	\$ 1,294,797	\$ 1,420,276	\$ 1,395,706
Debt Administration	\$ 2,828,272	\$ 11,786,393	\$ 3,109,658
Information Services	\$ 689,839	\$ 770,233	\$ 881,276
Planning & Development	\$ 970,679	\$ 909,154	\$ 804,448
Facilities Management	\$ 502,183	\$ 516,877	\$ 441,126
Contracts/Grants	\$ 285,106	\$ 358,000	\$ 858,500
Other General Government	\$ 865,718	\$ 1,179,491	\$ 1,191,672
Police	\$ 6,091,436	\$ 6,343,441	\$ 6,564,732
Traffic Control	\$ 365,251	\$ 440,363	\$ 445,670
Fire	\$ 4,084,368	\$ 5,104,757	\$ 5,352,255
Street	\$ 2,388,862	\$ 2,557,140	\$ 2,515,192
Fleet Maintenance	\$ 794,356	\$ 878,132	\$ 877,550
Solid Waste	\$ 2,053,817	\$ 1,885,065	\$ 2,059,854
Parks & Recreation	\$ 1,432,970	\$ 1,504,021	\$ 1,553,086
Community Center	\$ 1,066,532	\$ 1,147,712	\$ 1,159,044
Civic Center	\$ 189,631	\$ 216,140	\$ 202,406
Golf Course	\$ 2,469,891	\$ 2,603,412	\$ 2,451,539
Convention Center	\$ 1,620,075	\$ 1,742,107	\$ 1,812,483
Marketing	\$ 4,207,413	\$ 4,370,875	\$ 4,268,319
Transfers Out - to other funds	\$ 9,803,692	\$ 8,683,325	\$ 6,149,004
Total Appropriations	\$ 44,947,027	\$ 55,472,489	\$ 45,191,446
Change in Cash Balance (Receipts - Appropriations)	\$ 137,198	\$ (576,402)	\$ (2,356,310)
Beginning Fund Balance July 1	\$ 21,769,325	\$ 21,906,523	\$ 21,330,121
Ending Fund Balance June 30	\$ 21,906,523	\$ 21,330,121	\$ 18,973,811
Ending Cash as a % of Total Cash Payments/Appropriations	48.7%	38.5%	42.0%

STATE STREET AID FUND	Estimated		Budget FY 2021
	Actual FY 2019	Actual FY 2020	
Cash Receipts			
State Gas and Motor Fuel Taxes	\$ 520,004	\$ 520,000	\$ 475,000
Debt Proceeds	-	-	-
Other Revenue	5,448	-	-
Transfers In - from other funds	-	-	-
Total Cash Receipts	\$ 525,452	\$ 520,000	\$ 475,000
Appropriations			
Streets	\$ 480,000	\$ 520,000	\$ 540,000
Debt Service	-	-	-
Total Appropriations	\$ 480,000	\$ 520,000	\$ 540,000
Change in Cash (Receipts - Appropriations)	45,452	-	(65,000)
Beginning Fund Balance July 1	468,234	513,686	513,686
Ending Fund Balance June 30	\$ 513,686	\$ 513,686	\$ 448,686
Ending Cash as a % of Total Cash Payments/Appropriations	107.0%	98.8%	83.1%

TOURIST DEVELOPMENT ZONE FUND	Estimated		Budget FY 2021
	Actual FY 2019	Actual FY 2020	
Cash Receipts			
Local Taxes	\$ 2,843,827	\$ 2,635,072	\$ 2,635,072
Intergovernmental	5,485,363	5,236,234	5,132,665
Other Revenue	279,136	201,739	175,000
Debt Proceeds	-	-	-
Transfers In - from other funds	3,616,454	4,100,000	3,100,000
Total Cash Receipts	\$ 12,224,780	\$ 12,173,044	\$ 11,042,737
Appropriations			
Debt Service	8,586,386	12,594,000	12,640,250
Transfers Out - to other funds	-	-	-
Total Appropriations	\$ 8,586,386	\$ 12,594,000	\$ 12,640,250
Change in Cash (Receipts - Appropriations)	3,638,394	(420,956)	(1,597,513)
Beginning Fund Balance July 1	12,140,885	15,779,279	15,358,324
Ending Fund Balance June 30	\$ 15,779,279	\$ 15,358,324	\$ 13,760,811
Ending Cash as a % of Total Cash Payments/Appropriations	183.8%	121.9%	108.9%

PBA CAPITAL PROJECT FUND	Estimated		Budget FY 2021
	Actual FY 2019	Actual FY 2020	
Cash Receipts			
Local Taxes	\$ -	\$ -	\$ -
Intergovernmental	-	-	-
Other Revenue	31,427	5,000	-
Debt Proceeds	-	-	-
Transfers In - from other funds	-	1,568,410	1,317,702
Total Cash Receipts	\$ 31,427	\$ 1,573,410	\$ 1,317,702
Appropriations			
Streetscape Construction Project	470,842	4,370,900	2,787,000
Veterans Boulevard Project	-	-	-
Total Appropriations	\$ 470,842	\$ 4,370,900	\$ 2,787,000
Change in Cash (Receipts - Appropriations)	(439,415)	(2,797,490)	(1,469,298)
Beginning Fund Balance July 1	4,706,203	4,266,788	1,469,298
Ending Fund Balance June 30	\$ 4,266,788	\$ 1,469,298	\$ 0
Ending Cash as a % of Total Cash Payments/Appropriations	906.2%	33.6%	0.0%

DRUG FUND	Estimated		Budget FY 2021
	Actual FY 2019	Actual FY 2020	
Cash Receipts			
Fines And Forfeitures	\$ 31,402	\$ 89,399	\$ 40,000
Other Revenue	2,824	11,908	10,000
Total Cash Receipts	\$ 34,225	\$ 101,307	\$ 50,000
Appropriations			
Drug Enforcement	45,884	98,100	148,100
Total Appropriations	\$ 45,884	\$ 98,100	\$ 160,352
Change in Cash (Receipts - Appropriations)	(11,659)	3,207	(110,352)
Beginning Fund Balance July 1	227,638	215,979	219,187
Ending Fund Balance June 30	\$ 215,979	\$ 219,187	\$ 108,835
Ending Cash as a % of Total Cash Payments/Appropriations	470.7%	223.4%	67.9%

WATER & SEWER FUND	Estimated		
	Actual FY 2019	Actual FY 2020	Budget FY 2021
Cash Receipts			
Water Sales	\$ 7,646,399	\$ 8,023,000	\$ 8,264,000
Sewer Fees	7,047,583	7,619,700	8,021,000
Tap Fees	1,117,248	835,500	1,175,000
Other Revenue	1,460,277	621,000	933,300
Debt Proceeds	-	-	12,450,000
Grant Proceeds	-	-	-
Total Cash Receipts	\$17,271,507	\$ 17,099,200	\$ 30,843,300
Appropriations			
Water & Sewer Department	10,183,083	11,790,848	12,127,669
Capital Projects	1,790,577	3,481,590	18,960,226
Debt Service - Principal	1,170,000	800,000	825,000
Debt Service - Interest	1,068,513	1,201,389	1,163,889
Transfers Out - to other funds	898,958	958,800	1,494,110
Total Appropriations	\$15,111,131	\$ 18,232,627	\$ 34,570,894
Change in Cash (Receipts - Appropriations)	2,160,375	(1,133,427)	(3,727,594)
Beginning Cash Balance July 1	13,377,533	15,537,908	14,404,481
Ending Cash Balance June 30	\$15,537,908	\$ 14,404,481	\$ 10,676,887
Ending Cash as a % of Total Cash Payments/Appropriations	102.8%	79.0%	30.9%

SECTION 2. At the end of the fiscal year 2021, the governing body estimates operating fund balances or deficits as follows:

Fund	Estimated Ending Cash 06/30/2021	Ending Cash as a Percent of Expenditures
General Fund (1)	\$ 18,973,811	42.0%
State Street Aid	448,686	83.1%
TDZ Debt Service	13,760,811	108.9%
Drug Fund	108,835	67.9%
Water & Sewer Fund	10,676,887	30.9%
Sevier County Electric System (3)	143,804,534	92.1%
Sevier County Electric System includes all net assets		

SECTION 3. The governing body herein certifies that the condition of its funds, are compliant pursuant to its bond covenants, and recognizes that the municipality has outstanding bonded and other indebtedness as follows:

Fund	Type of Debt	Loan Name and Description	Authorized & Unissued	Total Principal Outstanding at 06/30/20	FY 2021 Budgeted Annual Debt Service		
					Principal	Interest	Total
General	GO Bonds	GO Refunding Bonds Series 2015	-	\$ 5,255,000	\$ 100,000	\$ 167,619	\$ 267,619
		GO Refunding Bonds Series 2020	-	\$ 7,765,000	\$ 100,000	\$ 281,024	\$ 381,024
		LGPI Bonds Series VII-L-1/VII-D-1/III-E-1	-	\$ 3,710,000	\$ 670,000	\$ 185,500	\$ 855,500
		LGPI Bonds Series VII-L-1/VII-D-1/III-E-1	-	\$ 5,560,000	\$ 1,005,000	\$ 278,000	\$ 1,283,000
		LGPI Bonds Series VII-M-1/VII-D-1	-	\$ 1,800,000	\$ 100,000	\$ 72,000	\$ 172,000
		Total General Fund Debt	\$ -	\$ 24,090,000	\$ 1,975,000	\$ 984,143	\$ 2,959,143
Water & Sewer	GO Bonds	GO Bonds Series 2011	-	\$ 5,000,000	\$ -	\$ 148,469	\$ 148,469
		GO Refunding Bonds Series 2015	-	\$ 9,075,000	\$ 575,000	\$ 294,419	\$ 869,419
		LGPI Bonds Series VII-A-2	-	\$ 8,000,000	\$ -	\$ 420,000	\$ 420,000
		LGPI Bonds Series VII-M-1/VII-D-1	-	\$ 7,525,000	\$ 250,000	\$ 301,000	\$ 551,000
		Total TDZ Debt	\$ -	\$ 29,600,000	\$ 825,000	\$ 1,163,888	\$ 1,988,888
TDZ Fund	Bonds	GO Refunding Bonds Series 2018	-	\$ 37,535,000	\$ 3,725,000	\$ 1,545,250	\$ 5,270,250
		LGPI Bonds Series 2009B	-	\$ 24,500,000	\$ -	\$ 1,225,000	\$ 1,225,000
		LGPI Bonds Series 2010A	-	\$ 25,000,000	\$ -	\$ 1,250,000	\$ 1,250,000
		LGPI Bonds Series 2010B	-	\$ 26,100,000	\$ -	\$ 1,305,000	\$ 1,305,000
		LGPI Bonds Series VII-N-1	-	\$ 21,000,000	\$ 2,350,000	\$ 840,000	\$ 3,190,000
		Total Water and Sewer Fund Debt	\$ -	\$ 134,135,000	\$ 6,075,000	\$ 6,165,250	\$ 12,240,250
Electric System	Revenue Bonds	Electric System Revenue Bonds, Series V	-	\$ 6,365,000	\$ 1,520,000	\$ 318,250	\$ 1,838,250
		Total Water and Sewer Fund Debt	\$ -	\$ 6,365,000	\$ 1,520,000	\$ 318,250	\$ 1,838,250
Total Outstanding Debt			\$ -	\$ 194,190,000	\$ 10,395,000	\$ 8,631,530	\$ 19,026,530

SECTION 4. During the coming fiscal year (2021) the governing body has pending and planned capital projects with proposed funding as detailed in the capital improvement schedule (attached).

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 vote of at least a quorum of the governing body in accord with Tennessee Code Annotated § 6-56-205.

SECTION 6. Each department and the Public Building Authority shall limit its expenditures to the amounts appropriated therefore, unless the Board of Mayor and Aldermen shall, by Ordinance, authorize a transfer from one department to another.

SECTION 7. The budget detail on file in the offices of the City Recorder and the City Administrator are hereby made a part of and incorporated in this Ordinance by specific reference as if fully copied herein. 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 Tennessee Code Annotated § 6-56-206 is attached.

SECTION 8. There is hereby levied a tax rate of \$0.497 per \$100.00 worth of all taxable property within the corporate limits of the City of Sevierville for the tax year 2020.

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 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 Comptroller's Designee in accordance with Title 9, Chapter 21 of the 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 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 Comptroller's Designee.

SECTION 10. The appropriations for this budget lapse at the end of the fiscal year, June 30, 2020 for all funds except the Capital Budget Fund. The balance in all expenditure accounts in the Capital Budget Fund will remain encumbered in the succeeding budget years until spent or until re-appropriated or changed by the Board of Mayor & Aldermen.

SECTION 11. The schedule of fees and pay plan are incorporated into the budget document and adopted for the new fiscal year.

SECTION 12. In-as-much as the fiscal year begins on July 1, 2020, this ordinance shall take effect from and after July 1, 2020, the public welfare requiring it.

APPROVED: _____
Robbie Fox, Mayor

ATTEST: _____
Lynn K. McClurg, City Recorder

Passed 1st reading: 05/18/2020

Passed 2nd reading: 06/01/2020

Passed 3rd reading: