ORDINANCE NO: 1779

AN ORDINANCE OF THE CITY OF MANCHESTER, TENNESSEE ADOPTING A BUDGET FOR THE FISCAL YEAR JULY 1, 2026 THROUGH JUNE 30, 2027

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 MANCHESTER, TENNESSEE AS FOLLOWS:

SECTION 1. That the governing body estimates anticipated revenues of the municipality from all sources to be as follows:

GENERAL FUND	**FY25 Audited**	**FY26 Estimated**	**FY27 Proposed**
Local Taxes	$ 14,352,268	$ 13,760,251	$ 14,638,482
License and Fees	270,690	258,370	495,975
Intergovernmental	3,510,055	4,062,674	4,245,955
Charges for Services	53,435	17,550	42,550
Fines and Forfeitures	177,520	172,200	182,200
Miscellaneous Revenues	702,683	2,674,453	1,428,056
Fund Balance	15,542,124	17,390,185	17,124,898
Total Available Funds	$ 34,608,775	$ 38,335,683	$ 38,158,116
SANITATION			
Charges for Current Services	$ 1,740,689	$ 1,871,205	$ 1,920,600
Transfer from Other Funds	661	3,600	3,600
Unassigned Fund Balance	779,996	984,972	687,228
Total Available Funds	$ 2,521,346	$ 2,859,777	$ 2,611,428
RECREATION FUND			
Local Taxes	$ 252,932	$ -	$ -
Intergovernmental	546,045	-	-
Charges for Current Services	1,050,391	844,051	1,367,500
Other Revenues	(176,784)	158,076	160,000
Transfer from Other Funds	1,800,000	2,048,597	1,013,896
Unassigned Fund Balance	1,025,408	732,658	661,912
Total Available Funds	$ 4,497,992	$ 3,783,382	$ 3,203,308

DRUG CONTROL FUND			
Fines and Forfeitures	$ 45,730	$ 33,500	$ 37,000
Other Revenues	53,203	6,275	70,000
Unassigned Fund Balance	306,515	330,580	367,575
Total Available Funds	$ 405,448	$ 370,355	$ 474,575
TOURISM FUND			
Local Taxes	$ 126,461	$ 945,865	$ 945,865
Grant Revenue	80,836	428,019	222,500
Unassigned Fund Balance	452,626	508,875	867,295
Total Available Funds	$ 659,923	$ 1,882,759	$ 2,035,660
CAPITAL EQUIPMENT FUND			
Transfer from Other Funds	-	-	-
Other Revenues	15,952	-	-
Unassigned Fund Balance	1,569,861	771,122	0
Total Available Funds	$ 1,585,813	$ 771,122	$ 0
GENERAL DEBT SERVICE FUND			
Other Revenues	$ 21,400	$ 144,020	$ 144,020
Transfer from Other Funds	1,171,625	1,581,900	1,495,950
Unassigned Fund Balance	1,811,345	1,580,554	1,699,074
Total Available Funds	$ 3,004,370	$ 3,306,474	$ 3,339,044
WATER & SEWER FUND			
Current Services	$ 70,677	$ 24,617	$ 24,617
Other Revenues	7,616	11,326	10,930
Non-operating Revenues	3,200,829	1,844,588	1,501,000
Water & Sewer Revenues	8,879,377	10,449,009	11,988,596
Net Position	27,014,594	30,254,740	31,885,462
Total Available Funds	$ 39,173,093	$ 42,584,280	$ 45,410,605
GENERAL PURPOSE SCHOOL FUND			
Local Taxes	$ 6,782,971	$ 4,217,710	$ 5,017,110
Licenses and Permits	880	650	650
Charges for Current Services	36,514	51,229	52,000
Other Local Revenues	182,071	29,500	170,500
State Education Funds	12,691,994	12,914,595	13,755,537
Federal Funds Received Thru State	66,403	-	-
Fund Balance	-	6,052,897	1,000,000
Transfer from Other Funds	1,858,467	2,608,467	2,608,467
Total Available Funds	$ 21,619,300	$ 25,875,048	$ 22,604,264
CAFETERIA FOOD SERVICE FUND			
Charges for Current Services	$ 194,483	$ 208,280	$ 211,000
Other Local Revenues	24,314	1,300	12,800
State Education Funds	8,326	8,295	7,949
Federal Funds Received Thru State	1,007,699	1,316,613	1,305,506
Unassigned Fund Balance	-	207,555	559,600
Total Available Funds	$ 1,234,822	$ 1,742,043	$ 2,096,855

SECTION 2. That the governing body appropriates from these anticipated revenues and unexpended and unencumbered funds as follows:

GENERAL FUND						
General Government	$	7,809,914	$	8,677,383	$	8,653,276
Public Safety		7,213,062		9,071,006		7,957,298
Public Works		2,195,614		3,462,396		4,420,136
Total Appropriations	$	17,218,590	$	21,210,785	$	21,030,709
SANITATION FUND						
Sanitation Fund	$	1,536,374	$	2,172,549	$	1,749,058
Total Appropriations	$	1,536,374	$	2,172,549	$	1,749,058
PARKS AND RECREATION FUND						
Administration	$	335,744	$	190,089	$	200,916
Rec Center		1,699,074		2,571,124		1,804,709
Park Area		1,730,516		360,257		535,375
Total Appropriations	$	3,765,334	$	3,121,470	$	2,541,000
DRUG CONTROL FUND						
Drug Fund	$	74,868	$	2,780	$	166,268
Total Appropriations	$	74,868	$	2,780	$	166,268
TOURISM FUND						
Tourism Fund	$	151,048	$	1,015,464	$	1,138,688
Total Appropriations	$	151,048	$	1,015,464	$	1,138,688
CAPITAL EQUIPMENT FUND						
Capital Equipment Program	$	814,691	$	771,122	$	-
Total Appropriations	$	814,691	$	771,122	$	-
GENERAL DEBT SERVICE FUND						
General Debt Service Fund	$	1,423,816	$	1,607,400	$	1,543,450
Total Appropriations	$	1,423,816	$	1,607,400	$	1,543,450
WATER & SEWER FUND						
Purification	$	2,171,287	$	2,378,315	$	2,442,050
Shop & Maintenance		3,591,436		5,827,488		4,923,488
Customer Accounts & Collections		446,173		345,562		127,850
Sewer Treatment & Disposal		2,409,150		1,965,610		2,166,281
Non-operating expenses		216,296		178,813		453,012
All Other		84,011		3,029		4,000
Total Appropriations	$	8,918,353	$	10,698,818	$	10,116,680
GENERAL PURPOSE SCHOOL FUND						
Instruction						
Instructional Programs	$	12,489,436	$	13,310,159	$	13,676,805
Support Services		5,876,721		7,084,852		6,981,942
Non-Instructional Services		975,499		1,083,537		990,117
Capital Outlay		1,636,330		4,340,000		900,000
Debt Payments		50,400		50,400		50,400
Indirect Cost		6,100		6,100		5,000
Total Appropriations	$	21,034,486	$	25,875,048	$	22,604,264
CAFETERIA FOOD SERVICE FUND						
Food Service	$	1,361,479	$	1,742,043	$	2,096,855
Total Appropriations	$	1,361,479	$	1,742,043	$	2,096,855

SECTION 3: At the end of the current fiscal year the governing body estimates balances/(deficits) as follows:

General Fund	$	17,124,898
Sanitation Fund	$	984,972
Recreation Fund	$	732,658
Drug Fund	$	330,580
Tourism Fund	$	508,875
Capital Equipment Replacement Fund	$	0
General Debt Service Fund	$	1,580,554
Water & Sewer Fund	$	1,500,000
General Purpose School Fund	$	2,572,470
Central Cafeteria Fund	$	694,232

SECTION 4: That the governing body recognizes that the municipality has bonded and other indebtedness as follows:

Bonded or Other Indebtedness	Debt Redemption	Interest Requirements	Debt Authorized and Unissued	Condition of Sinking Fund
Bonds	985,000	395,950		
Capital Outlay	48,816	1,824		
Capital Leases	30,000	-		
Bonds - Utility	1,780,000	287,476		

SECTION 5: During the coming fiscal year the governing body has planned capital projects and proposed funding as follows:

Proposed Capital Projects		Proposed Amount Financed by Appropriations	Proposed Amount Financed by Debt
Coffee Street Sidewalk Project	$	46,712	
Oakdale Street Sidewalk Project	$	6,203	
Madison Street Sidewalk Project	$	4,683	
Hills Chapel Road Phase 2	$	40,000	
Recreation improvements	$	69,900	
Sanitation vehicles	$	150,000	
Drug fund vehicles	$	120,000	
Water & Sewer equipment/vehicles	$	250,000	
Water & Sewer improvements	$	1,250,000	
Education capital outlay	$	900,000	
Total Appropriations	$	2,837,498	

SECTION 6: No appropriation listed above may be exceeded without an amendment of the budget ordinance as required by the Municipal Budget Law of 1982 T.C.A. Section 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 Section 6-56-205 of the Tennessee Code Annotated.

SECTION 7: 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 prescribe as allowed by Section 6-56-209 of 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 8: 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 Section 6-56-206, Tennessee Code Annotated will be attached.

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 until the adoption of the new budget ordinance in accordance with Section 6-56-210, Tennessee Code Annotated provided sufficient revenues are being collected to support the continuing appropriations. Approval of the Director of the Division of Local Finance in the Comptroller of the Treasury for a continuation budget will be requested if any indebtedness is outstanding.

SECTION 10: There is hereby levied a property tax of $1.5221 per $100 of assessed value on all real and personal property.

SECTION11: All unencumbered balances of appropriations remaining at the end of the fiscal year shall lapse and revert to the respective fund balances.

SECTION 12: This ordinance shall take effect upon passage, the public welfare requiring it.

PASSED FIRST READING: 6-2-26
PASSED SECOND READING: 6-16-26

ATTEST:

Billy Hobbs

Joey Hobbs, Mayor

ATTEST:

Anthony Burrows

Anthony Burrows, Finance Director