ORDINANCE NUMBER 26-06-01

AN ORDINANCE OF THE TOWN OF ATOKA, TENNESSEE ADOPTING THE ANNUAL BUDGET AND TAX RATE FOR THE FISCAL YEAR BEGINNING JULY 1, 2026 AND ENDING JUNE 30, 2027 AND OTHER RELATED REVISIONS TO THE ATOKA MUNICIPAL CODE OF ORDINANCES.

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 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 governing body will consider final passage of the budget.

NOW, THEREFORE, BE IT ORDAINED BY THE BOARD OF MAYOR AND ALDERMEN OF THE TOWN OF ATOKA, 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 2027, 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 2025	Estimated Actual FY 2026	Budget FY 2027
Revenues			
Local Taxes	$ 6,038,272	$ 5,800,800	$ 6,357,271
Licenses And Permits	97,510	82,000	84,500
Intergovernmental	2,268,916	1,330,000	2,134,998
Charges For Services	563,094	325,000	356,000
Fines And Forfeitures	140,521	155,000	164,000
Other	299,728	650,000	623,000
Other Financing Sources			
Issuance of Debt / Debt Proceeds	320,000	1,147,221	370,000
Sale of Capital Assets	-	-	-
Transfers In - from other funds	195,000	195,000	238,000
Transfers In - from other funds (PILOT)	-	-	-
Total Revenues and Other Financing Sources	$ 9,923,041	$ 9,685,021	$ 10,327,769
Appropriations			
Expenditures			
Department of Administration	$ 912,124	$ 690,000	$ 857,300
Police Department	2,574,096	2,622,900	3,121,175
Fire Department	2,153,908	2,910,900	2,526,758
Office of Building Inspector	316,381	250,000	270,350
Parks Department	1,279,818	815,000	1,121,905
Debt Service - Principal and Interest	659,405	375,000	641,289
Highway & Streets	1,466,304	1,243,678	1,776,235
[insert additional organizational unit]	-	-	-
Other Financing Uses			
Transfers Out - to other funds			
Total Appropriations	$ 9,362,036	$ 8,907,478	$ 10,315,012
Change in Fund Balance (Revenues - Appropriations)	**561,005**	**777,543**	**12,757**
Beginning Fund Balance July 1	6,117,460	6,335,364	7,112,907
Ending Fund Balance June 30	**$ 6,335,364**	**$ 7,112,907**	**$ 7,125,664**
Ending Fund Balance as a % of Total Appropriations	67.7%	79.9%	69.1%

STATE STREET AID FUND	Actual FY 2025	Estimated Actual FY 2026	Budget FY 2027
Revenues			
State Gas and Motor Fuel Taxes	$ 372,923	$ 136,967	$ 200,000
Gas Tax Increase	-	130,365	176,000
Other Financing Sources			
Issuance of Debt / Debt Proceeds	-	17,116	10,000
Transfers In - from other funds	-	-	-
Total Revenues and Other Financing Sources	$ 372,923	$ 284,448	$ 386,000
Appropriations			
Public Works Department	$ 274,670	$ 69,729	$ 354,000
Debt Service - Principal and Interest	27,651	26,000	24,261
Total Appropriations	$ 302,321	$ 95,729	$ 378,261
Change in Fund Balance (Revenues - Appropriations)	**70,602**	**188,719**	**7,739**
Beginning Fund Balance July 1	563,649	297,043	485,762
Ending Fund Balance June 30	**$ 297,043**	**$ 485,762**	**$ 493,501**
Ending Fund Balance as a % of Total Appropriations	98.3%	507.4%	130.5%

DRUG FUND	Actual FY 2025	Estimated Actual FY 2026	Budget FY 2027
Revenues			
Fines And Forfeitures	$ 69,614	$ 20,000	$ 50,000
Other		1,200	-
Other Financing Sources			
Issuance of Debt / Debt Proceeds	-	-	-
Transfers In - from other funds	-	-	-
Total Revenues and Other Financing Sources	$ 69,614	$ 21,200	$ 50,000
Appropriations			
Drug Enforcement	$	$	$ 50,000
Debt Service	-	-	-
Total Appropriations	$	$	$ 50,000
Change in Fund Balance (Revenues - Appropriations)	**69,614**	**21,200**	**-**
Beginning Fund Balance July 1	41,388	91,355	112,555
Ending Fund Balance June 30	**$91,355**	**$ 98,428**	**$ 98,428**
Ending Fund Balance as a % of Appropriations			

SOLID WASTE FUND	Actual FY 2025	Estimated Actual FY 2026	Budget FY 2027
Revenues			
Solid Waste Disposal Fees	$ 864,062	$ 800,000	$ 865,710
Tipping Fees	-	-	-
Sale of Surplus Assets	-	-	-
Miscellaneous Other Revenue	2,931	3,000	3,000
Transfers In - from other funds	-	-	63,480
Other Financing Sources			
Issuance of Debt / Debt Proceeds	-	-	-
Transfers In - from other funds	-	-	-
Total Revenues and Other Financing Sources	$ 866,993	$ 554,618	$ 932,190
Appropriations			
Solid Waste Contractual Services	$ 579,469	$ 469,214	$ 826,000
Debt Service	-	-	$ 50,000
Total Appropriations	$ 579,469	$ 469,214	$ 876,000
Change in Fund Balance (Revenues - Appropriations)	**287,524**	**333,786**	**56,190**
Beginning Fund Balance July 1	185,809	278,266	612,052
Ending Fund Balance June 30	**$ 278,266**	**$ 612,052**	**$ 668,242**

WATER FUND	Actual FY 2025	Estimated Actual FY 2026	Budget FY 2027
Operating Revenues			
Water Sales	$ 1,288,254	$ 1,320,000	$ 1,458,725
Tap Fees	111,165	115,000	70,000
Miscellaneous Other Fees	83,246	120,000	128,500
Total Operating Revenues	$ 1,482,665	$ 1,555,000	$ 1,657,225
Operating Expenses			
Adminstrative	$ 531,367	$ 370,000	$ 443,544
Water Department	709,179	820,000	817,750
Other	-	84,722	1,000
Depreciation	179,664	126,667	212,663
Total Operating Expenses	$ 1,420,210	$ 1,401,389	$ 1,474,957
Operating Income (Loss)	$ 62,455	$ 153,611	$ 182,268
Nonoperating Revenues (Expenses)			
Revenue: Investment Income	$ 51,404	$ 50,000	$ 20,000
Grants - Operating	-	-	-
Other Income	-	-	-
Expense: Debt Service - Interest Expense	(13,678)	(11,000)	(38,000)
Other Expense			
Total Nonoperating Revenue (Expenses)	$ 37,726	$ 39,000	$ (18,000)
Income (Loss) Before Capital Contributions and Transfers	$ 3,494	$ 192,611	$ 164,268
Capital Contributions and Transfers			
Capital Contributions - Tap Fees in Excess of Cost	$ -	$ -	$ -
Capital Contributions - Grants	-	-	-
Capital Contributions - Other	-	-	-
Transfers In - from Other Funds	-	-	-
Transfers Out - to Other Funds (PILOT)			
Total Capital Contributions and Transfers	$ -	$ -	$ -
Change in Net Position	**$ 3,494**	**$ 192,611**	**$ 164,268**
Beginning Net Position July 1	3,475,393	3,575,574	3,768,185
Ending Net Position June 30	**3,575,574**	**3,768,185**	**3,932,453**

SEWER FUND	Actual FY 2025	Estimated Actual FY 2026	Budget FY 2027
Operating Revenues			
Sewer Charges	$ 1,613,574	$ 1,342,795	$ 2,115,488
Tap Fees	93,340	3,900	125,000
Miscellaneous Other Fees	223,945	89,657	154,000
Total Operating Revenues	$ 1,930,859	$ 1,436,352	$ 2,394,488
Operating Expenses			
Adminstrative	$ 590,312	$ 356,156	$ 485,489
Sewer Department	751,033	1,024,765	1,273,507
Other	-	579	700
Depreciation	274,603	273,790	548,927
Total Operating Expenses	$ 1,615,948	$ 1,655,290	$ 2,308,623
Operating Income (Loss)	$ 314,911	$ (218,938)	$ 85,865
Nonoperating Revenues (Expenses)			
Revenue: Investment Income	$ 115,413	$ 474,779	$ 80,000
Grants - Operating	-	-	
Other Income	-	-	
Expense: Debt Service - Interest Expense	(29,840)	(11,878)	(63,000)
Other Expense			
Total Nonoperating Revenue (Expenses)	$ 85,573	$ 462,901	$ 17,000
Income (Loss) Before Capital Contributions and Transfers	$ 400,484	$ 243,963	$ 102,865
Capital Contributions and Transfers			
Capital Contributions - Tap Fees in Excess of Cost	$ -	$ -	$ -
Capital Contributions - Grants	206,353	-	1,500,000
Capital Contributions - Other	-	-	-
Transfers In - from Other Funds	180,000	-	-
Transfers Out - to Other Funds (PILOT)			
Total Capital Contributions and Transfers	$ 386,353	$ -	$ 1,500,000
Change in Net Position	**$ 786,837**	**$ 243,963**	**$ 1,602,865**
Beginning Net Position July 1	6,477,917	7,084,754	7,328,717
Ending Net Position June 30	**$ 7,084,754**	**$ 7,328,717**	**$ 8,931,582**

Stormwater Utility Fund	Actual FY 2025	Estimated Actual FY 2026	Budget FY 2027
Operating Revenues			
Stormwater Utility Charges	$ 184,070	$ 220,000	$ 230,000
Fees	-	-	-
Other	-	-	-
Miscellaneous Other Fees	-	-	-
Non-Operating Revenues, Grants, Contributions, & Transfers In			
Investment Income	3,132	5,000	4,000
Other Income	-	-	-
Capital Contributions	-	-	-
Grants - Capital	-	-	-
Grants - Operating	-	-	-
Transfers In - from other funds	-	-	-
Total Revenues	$ 187,202	$ 225,000	$ 234,000
Appropriations			
Operating Expenses			
Adminstrative	$ -	$ -	$ -
General Operations	5	197,000	230,000
Maintenance	-	-	-
Other	-	-	-
Depreciation	-	-	-
Non-Operating Expenses and Transfers Out			
Debt Service - Interest	-	-	-
Transfers Out - to other funds (PILOT)	-	-	-
Total Appropriations	$ 5	$ 197,000	$ 230,000
Change in Net Position (Revenues - Appropriations)	**187,197**	**28,000**	**4,000**
Beginning Net Position July 1	-	187,197	215,197
Ending Net Position June 30	**$ 187,197**	**$ 215,197**	**$ 219,197**

SECTION 2. 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 outstanding bonded and other indebtedness as follows:

SECTION 3. No appropriation listed above may be exceeded without appropriate ordinance action to amend the budget.

SECTION 4. A detailed line-item financial plan shall be prepared in support of the budget.

SECTION 5. All unencumbered balances of appropriations remaining at the end of the fiscal year shall lapse and revert to the respective fund balance.

SECTION 6. The appropriations of this budget shall become the appropriations for the next fiscal year until a budget for the next fiscal year has been adopted.

SECTION 7. The Board of Mayor and Aldermen hereby levies a property tax rate of $0.7685 per $100.00 of assessed valuation rounded to the nearest dollar for the purpose of funding General Fund services.

SECTION 8. This ordinance shall take effect from the date of its final passage, the public welfare requiring it.

PASSED on the First Consideration by the Board of Mayor and Aldermen of the Town of Atoka, Tennessee on the 12th day of May 2026.

PUBLIC HEARING held by the Board of Mayor and Aldermen of the Town of Atoka, Tennessee on the 9th day of June 2026.

PASSED on the Second Consideration by the Board of Mayor and Aldermen of the Town of Atoka, Tennessee on the 9th day of June 2026.

Barry L. Akin, Mayor

ATTEST:

Rachel Covarrubias, Town Recorder