



March 14, 2025

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# Budget System

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Please feel free to contact us if you have questions or comments regarding this information or any other CTAS website material.

Sincerely,

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Table of Contents

<b>Budget System .....</b>	<b>3</b>
<b>Private Acts of 1937 Chapter 320 .....</b>	<b>3</b>
<b>Private Acts of 1937 Chapter 48 .....</b>	<b>6</b>

# Budget System

## Private Acts of 1937 Chapter 320

**SECTION 1.** That it shall be the duty of the Lincoln County Board of Highway Commissioners on or before the first Monday in May of each year, to prepare and file with the County Court Clerk an itemized statement or budget of the funds which said Commission estimates to be necessary for the construction, maintenance, upkeep, and operation of the roads, bridges and county workhouse in Lincoln County, and expenses incident thereto, for the year commencing on the first day of September following the making of said report: The said budget shall show in detail and separate items the estimated amounts necessary for salaries and the office expenses, new equipment, maintenance or repair of old equipment, bridges, lumber, gravel, maintenance of the County Workhouse, Etc. The said budget shall likewise show in parallel columns the amounts expended the previous year for the respective purposes. That it shall likewise be the duty of the Lincoln Board of School Commissioners on or before the first Monday in May of each year to prepare and file with the County Court Clerk of Lincoln County an itemized statement or budget of the funds which said Board of Commissioners estimates to be necessary for the maintenance and operation of the schools in Lincoln County, and expenses thereto, for the year commencing on the first day of September following the making of said report: The said budget shall show in detail and in separate items the estimated amounts necessary for the office expenses and salaries of the County Superintendent of public instruction, salaries for the different county schools, the aggregate of the salaries for each individual school being shown, for the purchase of new equipment, for the maintenance and repair of old equipment and school buildings, janitor service, bus service, insurance and all other expenses of said department. The said budget shall likewise show in parallel columns the amounts expended the previous year for the respective purposes. That it shall likewise be the duty of the County Judge of Lincoln County on or before the first Monday in May of each year to prepare and file with the County Court Clerk of Lincoln County an itemized statement or budget of the funds which he estimates necessary to be expended from the general county fund during the year commencing on the first day of September following the making of his said report, for the payment of salaries, mothers pensions, maintenance of insane patients, jail bills, improvements and repairs of court house and jail, court costs, jail buildings, and Etc., and all expenses which are properly paid out of the general county fund. It shall also be the duty of the County Judge of Lincoln County at the same time to prepare and file with the Clerk a statement or budget showing the amounts that will be necessary to pay the various county bonds, together with interest thereon, which have been issued by the county which will mature or become due during the ensuing year. The budgets of the County Judge will likewise show in parallel columns the amounts expended the previous year for respective purposes. That it shall be the duty of all other County Agencies and parties nor herein above specifically mentioned, having authority to expend or expending county funds to file with said Clerk each year on or before the first Monday in May an itemized statement of the budget of the funds estimated to be necessary to be expended by said agencies or departments for the year commencing on the first day of September following: That it shall be the duty of the County Trustee on or before the first Monday in May of each year to prepare and file with the County Court Clerk an itemized statement or estimate of all funds, exclusive of the funds to be derived from the county on property, which he has reasonable grounds to believe will be paid into his office during the year commencing on the first of the following September, and which will be available for the purpose of defraying the expenses of the county government during said year: And said statement shall show the source of each fund and said Trustee shall likewise show in a parallel column the amount received for the same purposes from the same sources during the year ending on the preceding August 31, as near as may be practicable, and he shall likewise show in said statement the actual amount collected from the county tax on property during the year ending on the preceding August 31. It shall be the duty of the County Court Clerk to record the budgets herein referred to in a well bound book kept for that purpose and in a manner that shall make a permanent record of the same.

**SECTION 2.** That the present committee composed of Larry L. Groce, Donny Ogle, Howard Capshaw, Mary L. Conger, Hugh D. Dickey, Peggy G. Bevels, G. Stephen Graham and Esther Flemmings, or their successors should a vacancy occur prior to the November, 1989 term, shall continue to be and constitute the Budget Commission of Lincoln County Commissioners or Lincoln County, Tennessee or until their successors are appointed as hereinafter provided. It shall be the duty of the county legislative body of Lincoln County, Tennessee, at its November term 1989, and each odd year thereafter, to appoint a committee of eight (8) persons from the membership of the county legislative body who shall constitute the budget commission of Lincoln County and who shall serve for a term of two (2) years and until their successors are duly elected and qualified. The county legislative body in appointing said committee shall appoint one (1) member from each of the eight (8) county legislative districts and said members so

appointed shall receive compensation for every day actually required in the performance of their duties; and said commission shall certify to the county legislative body at the time it submits a budget as hereinafter provided for, the number of days said budget commission has been actually engaged in the performance of their duties. The budget commission shall elect one (1) of its members as chairman. Five (5) members of said commission shall constitute a quorum for the transaction of business. That the duties of the Secretary shall be to keep all records of the commission, including a complete record of the proceedings thereof, assist it in the compilation of the data necessary for the commission to prepare the budget herein provided for and to assist in the preparation of said budget, and he shall perform such other duties as shall be prescribed by said budget commission. That the Quarterly Court may in its discretion allow such compensation for the services of said Secretary as said Court may deem right and proper: That each year prior to the meeting of the July term of the Quarterly Court of Lincoln County, it shall be the duty of said budget commission to consider and examine the budgets referred to in Section One hereof and such other records and data as may be necessary, and to prepare on appropriate forms a complete itemized budget covering all of the proposed expenditures of every kind and description to be made by or on behalf of the county of the year beginning September 1, following. And in preparing said budget, said commission is not to be bound by the amounts fixed in the several budgets of the various departments of the county referred to in Section One hereof, but shall make such changes therein as in the opinion of said commission are to the best interest of the county. That immediately upon its organization, said budget commission shall cause to be prepared appropriate printed forms on which the budgets of the various departments of the county referred to in Section One hereof are to be submitted by said commission. That said forms shall be of such a nature as to enable said commission to submit to the Quarterly Court as hereinafter provided a complete itemized budget and financial statement of the county in simple intelligible form, to the end that the Quarterly Court shall have before it in said budget all the data necessary to enable it to intelligently determine the proper amount to be allowed the various departments of the county during the year for which the budget is proposed and the amount of revenue that will be available to pay the amounts so allowed. And in determining the nature and kind of said forms, said budget commission shall seek such expert advise in respect to this matter as will enable it to accomplish the desired end. That such budget, when prepared by said budget commission, shall be filed with the County Court Clerk and by him recorded along with the budgets prepared by the several departments of the county, as hereinabove provided for, in a well bound book and kept as a permanent record in the office of the County Court Clerk: And shall be submitted by the Chairman of the commission each year to the July term of the Quarterly Court of Lincoln County: and it shall be the duty of said court before fixing the tax rate for the current year to fully consider in open court said budget prepared by said budget commission. That said tax rate may be so fixed as to acquire sufficient revenue to provide funds to the amount as allotted by the budget commission to the various departments of the county government. No warrants drawn against county funds after September 1, 1937, shall be binding on the county unless the items or expense for which said warrant is issued shall have been included in a budget adopted by said budget commission as herein provided for: And no warrant shall be valid or binding on the county after the aggregate amount of warrants theretofore drawn during the fiscal year by or on behalf of any department of the county government, shall equal the amount allowed said department in the budget adopted for that year. That in preparing said budget herein provided for, it shall be the duty of said budget commission to take into consideration any unexpended balances that may remain at the end of the year to the credit of any department from the amount allowed such department for the previous year. That as nearly as may be practicable, said commission shall show in its budget the amount of actual expenditures of each department of the county government during the preceding year covering each item or head in the budget, said amounts for such previous year to be shown in a column parallel to that containing the amounts proposed for the ensuing year, so that when completed said budget will show not only the proposed expenditures for the ensuing year, but the actual expenditures under each head for the preceding year. That from the data and information herein required to be prepared and filed by the County Trustee and such other data as it may be necessary to examine, said budget commission shall likewise show in its budgets an itemized statement or estimate of all funds, exclusive of the funds derived from the county tax on property, which said commission has reasonable grounds to believe will be available during the year for the payment of the amount allowed in its said budget for said year, and it shall also show as nearly as may be practicable the amounts of revenue derived from the same sources during the preceding year, together with the amount actually collected from the county tax on property during such preceding year. That said budget commission shall, along with its budget, submit a recommendation to the Court with respect to the tax rate on property for the current year together with its estimate of the amount that will be actually collected during the year beginning on the first day of the following September from the tax so recommended. That at the same time and in the same report said budget commission shall submit to the Quarterly Court a full and complete statement of all outstanding and unpaid warrants and the outstanding bonded indebtedness of the county, showing the amounts and maturities of all outstanding bonds, the purpose for which issued and any other information relative

thereto which said commission shall deem pertinent. That along with its budget and report said commission shall submit to said court such other data, information and recommendations as it may deem advisable and necessary to enable the said Quarterly Court and the public to fully understand the financial condition of the county and the necessity for the amounts fixed in said budget and the tax rate on property recommended by said commission. That the Secretary of said commission shall mail a full and complete copy of the report and budget prepared by said commission to each member of the Quarterly Court at least ten days before the July term of said Court, and shall also cause said report and budget to be published twice in a newspaper published in Lincoln County, said publication to be at least ten days before each July term of said Court.

As amended by: Private Acts of 1939, Chapter 9  
Private Acts of 1943, Chapter 50  
Private Acts of 1981, Chapter 41  
Private Acts of 1989, Chapter 68

**SECTION 3.** That the budget as finally adopted by the budget commission, shall be submitted to the Quarterly Court at its July term each year and said budget shall be adopted by said Quarterly Court at the July term and said budget shall be spread on the minutes of said Court, and from and after September 1, 1937, no warrants shall be drawn against any funds of Lincoln County by any official of said county unless and until a budget has been adopted by said Quarterly Court as herein required: Provided that warrants may be issued prior to September 1, 1937, covering any obligation or indebtedness of said county actually incurred prior to said date.

**SECTION 4.** That it shall be the duty of each department of the county government that disburses public funds, including the Lincoln County Board of School Commissioners, Lincoln County Board of Highway Commissioners and the County Court Clerk, and County Judge in regard to the fund designated as the general county fund, to keep all such books and records as will enable them to fully and specifically comply with the provisions of this Act. Each of said departments and officials shall close the books kept by it or him as of the 31st day of August each year showing the balance to its or his credit, said balance to represent the difference between the amount allowed said department or fund in the budget for the year ending on that date and the aggregate amount of the warrants issued and chargeable against said amount allowed in said budget, regardless of whether said warrants have been paid or not: And it shall likewise be the duty of each of said departments and said officials to open its or his books on the first day of September of each year bringing forward and balance, if any, arrived at in the manner herein provided for, remaining to the credit of said department or fund from the previous year, to which shall be added the amount allowed said department or fund in the budget adopted by the Quarterly Court at its July term next preceding. That said books shall be kept in such a manner as to at all times show the amount allowed that department or fund in said budget adopted at the July term of the Quarterly Court and the amount of all warrants drawn and chargeable against said fund, regardless of whether said warrants have been paid or not, said warrants to be posted in said books as the same are issued. That on the first day of each September hereafter the amount allowed each department or disbursing agency of the county government or county fund in said budget shall also be placed at an appropriate place on the stubs in the several warrant books containing the warrants to be used by said department or county agency in drawing on county funds and said amount shall be added to any balance remaining from the previous year: And at the end of each day it shall be the duty of every official issuing warrants of any kind against any such funds to subtract the aggregate of the warrants issued that day from the previous balance thus arrived at shall be brought forward each day at an appropriate place on the stubs remaining in said warrant books: And at the end of each month it shall be the duty of every official drawing warrants against any fund of Lincoln County to reconcile the balance to the credit of the fund drawn against as shown by the books required to be kept by said official: Provided that for the year beginning the first day of September 1937, the books of each department shall be opened by placing to the credit of each department the amount allowed it in the budget adopted at the July term, 1937, of the Quarterly Court without regard to the number of warrants theretofore issued by said department or the head thereof which have not been paid: And said amount so allowed said department for the year beginning September 1, 1937, shall also be placed at an appropriate place on the stubs of the warrant book used by said department before any warrants are drawn or issued by said department after the beginning of said year, and thereafter the balance from day to day shall be arrived at and carried in said warrant stubs as herein provided for.

**SECTION 5.** That it shall be unlawful and a misdemeanor in office for any official or employee of Lincoln County to draw, sign, issue, deliver, or to authorize the drawing, signing, issuance or delivery of any warrant against any fund or said county, when the aggregate of the warrants theretofore issued or signed, whether the same have been paid by the Trustee or not, equals the amount allowed in the budget adopted by the Quarterly Court to that department or fund of the county against which said warrant would otherwise be chargeable, plus the balance, if any, that may have been brought forward to the credit of such department or fund from the previous year, and it shall also be a misdemeanor in office for any

official to sign or issue, or authorize the signing or issuance of a warrant or warrants against any county fund, in excess of the amount allowed said fund in the budget adopted by the Quarterly Court plus any balance remaining to the credit of such fund from the previous year. That it shall be the mandatory duty of every official drawing warrants against any county fund to keep advised and know before he signs, issues or delivers any warrant, whether or not the aggregate of the warrants theretofore issued against said fund out of which said warrant is payable equals the amount allowed said fund or department in the budget for that year plus any balance brought forward from the previous year, and it shall be the duty of said budget commission before submitting its annual report to the Quarterly Court to examine the books and records of each department of the county government for the purpose of ascertaining whether or not the warrants issued by or on behalf of any said departments during the year ending on the preceding August 31, have exceeded the amount allowed said departments in the budget adopted for that year, and said commission shall show in its report to be filed with its budget each year the departments, if any, that have issued warrants in excess of the amounts allowed such department in the budget for said year, and it shall be the mandatory duty of the Quarterly Court to certify the facts to the District Attorney General for presentation to the Grand Jury at the next term of the Circuit Court: And it shall be the duty of the District Attorney General to present the facts to the said Grand Jury to institute such other proceedings as may be necessary to give full effect to the provisions of this Act.

**SECTION 6.** That it shall be a misdemeanor in office for any county officer or agent or employee, including the members of the Lincoln County Board of Highway Commissioners. The members of the Lincoln County Board of School Commissioners, the County Superintendent of Education, the County Judge and the County Court Clerk, to violate any provision of this Act or to fail or refuse to do so or perform any of the duties placed upon them or any of them by this Act, and any such officer or officers failing to perform the duties imposed by this Act shall be subject to a fine of \$500.00, and be subject to removal from office, in any appropriate legal proceeding brought for that purpose.

**SECTION 7.** That all laws or parts of laws in conflict with this Act be, and the same are hereby repealed.

**SECTION 8.** That this Act shall take effect from and after its passage, the public welfare requiring it.

PASSED: February 26, 1937.

## Private Acts of 1937 Chapter 48

**SECTION 1.** As follows:

(a) The term "County Judge or Chairman," when used in this Act, shall mean the County Judge or Chairman for Lincoln County.

(b) The term "County Court Clerk," when used in this Act, shall mean the County Court Clerk of Lincoln County.

(c) The term "Sheriff," when used in this Act, shall mean the Sheriff of Lincoln County.

(d) The term "Trustee," when used in this Act, shall mean the Trustee of Lincoln County.

(e) The term "Circuit Court Clerk," when used in this Act, shall mean the Circuit Court Clerk of Lincoln County.

(f) The term "Register of Deeds," when used in this Act, shall mean the Register of Deeds of Lincoln County.

(g) The term "Highway Commissioner" when used in this Act, shall mean the Commissioner of Highways in Lincoln County.

(h) The term "Tax Assessor," when used in this Act, shall mean the Tax Assessor of Lincoln County.

(i) The term "Commissioner," when used in this Act, shall mean any superintendent, or person or persons appointed and/or elected by the people or by the County Court over any department or institution for Lincoln County.

(j) The term "Quarterly County Court," when used in this Act, shall mean any Justice of the Peace that is a member of the County Court of Lincoln County.

(k) The term "County Superintendent," when used in this Act, shall mean the County Superintendent of Schools for Lincoln County.

(l) The term "School Commissioners," when used in this Act, shall mean the members of the school board of Lincoln County.

(m) The term "Budget," when used in this Act, shall mean the appropriation of money appropriated

by the County Court for each department or activity of Lincoln County for the period shown by the adoption of the budget by the Quarterly County Court, and/or any appropriation authorized by statute.

(n) The term "Official of the County," when used in this Act, shall mean any official authorized by the Quarterly County Court and/or the Statutes of the State of Tennessee to draw from the County Treasury and expend money of Lincoln County.

**SECTION 2.** That in all counties of the State of Tennessee having a population of not less than 25,400, nor more than 24,450, according to the Federal Census of 1930, or any subsequent Federal census it shall be unlawful for any official of Lincoln County, enumerated in this Act, who has the power, right and authority to contract for and/or purchase any materials goods or supplies for his or her department of county government, and/or to contract for, or purchase any materials, supplies, or employ labor or services by contract or on a quantum meruit basis in excess of the amount of money appropriated by the Quarterly County Court, out of the County Treasury, as shown by the County budget adopted, and covering his or her department of the county government, for that certain period of time. That the Board of School Commissioners may, in their discretion issue warrants and perform all other duties as such school board not to exceed the amount set out to them by the Budget Committee, the Board of School Commissioners shall and will have discretionary power to issue warrants or perform all other obligations necessary to the operation of the schools in counties of Tennessee of not less than 25,400 or more than 25,540.

**SECTION 3.** That any official of Lincoln County who has the power, right and authority to expend county funds for county purposes from the treasury of the county, and/or funds coming into the county treasury from the State treasury for county purposes, in excess of the monies or funds then and there actually in the treasury of the county, to the credit of his or her department of county government, and/or in excess of the budget adopted by the Quarterly County Court of Lincoln County covering that certain period of time as shown by the budget, such county official, making any over-drafts on the County treasury for his or her department of county government, shall be personally liable, together with his or her sureties on his or her official bond, to Lincoln County for such overdrafts, and the county shall have a cause of action of debt to recover from such official or officials and their bondsmen the amount of the overdrafts with interest from date.

**SECTION 4.** That each county official enumerated in this Act is hereby placed on actual notice and charged with the duties of knowing at all times of the amount or sums of money appropriated by the Quarterly County Court in the county budget for his or her department, and/or money coming to any department to be expended for county government under State laws for county purposes as the status of the fund in dollars and cents that may be expended for his or her department, and the amount that has been drawn from said fund and the balance subject to be drawn, so that each county official may know when he or she may lawfully draw or not draw warrants on the county treasury under the terms and provisions of this Act.

**SECTION 5.** That every county official who violates or fails to comply with, or who procures, aide or abets in the violation of any provision of this Act, shall be guilty of a misdemeanor and, upon conviction thereof, shall be fined not less than \$100.00 nor more than \$500.00, or by imprisonment for a period not exceeding one year, or both, in the discretion of the Court, provided, further that any county official who is convicted under this Act shall be subject to removal from office under the ouster laws of the State of Tennessee, and it shall be the duties of the District Attorney General prosecuting on behalf of the State of Tennessee to institute ouster proceedings against such official and prosecute the case to a final termination.

**SECTION 6.** That the holding of any section or part thereof, or any sub-section, sentence, clause or phrase of this Act, to be void or ineffective for any cause, shall not affect any other section or part thereof of this Act. It is hereby declared, and shall be conclusively presumed, that this Act and each section, subsection, sentence, clause and phrase thereof would have been passed and enacted, irrespective of the fact that any one or more sections, subsections, sentences, clauses or phrases thereof be declared unconstitutional or void or ineffective for any cause.

**SECTION 7.** That all laws and parts of laws in conflict with the provisions of this Act be and the same are hereby repealed.

**SECTION 8.** That this Act take effect from and after its passage, the public welfare requiring it.

PASSED: January 20, 1937.

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