



March 10, 2025

Operating Budget Resource Materials

Dear Reader:

The following document was created from the CTAS website (ctas.tennessee.edu). This website is maintained by CTAS staff and seeks to represent the most current information regarding issues relative to Tennessee county government.

We hope this information will be useful to you; reference to it will assist you with many of the questions that will arise in your tenure with county government. However, the *Tennessee Code Annotated* and other relevant laws or regulations should always be consulted before any action is taken based upon the contents of this document.

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

Sincerely,

The University of Tennessee
County Technical Assistance Service
226 Anne Dallas Dudley Boulevard, Suite 400
Nashville, Tennessee 37219
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| | |
|---|-----------|
| Operating Budget Resource Materials | 3 |
| County Budget Laws | 3 |
| Department Budget by Object Code | 4 |
| Sample Budget Calendar | 5 |
| Sample Budget Handbook | 6 |
| Sample Newspaper Notice | 7 |
| Requirements for an Adopted Budget | 10 |
| Appropriation Resolution | 10 |
| Tax Levy Resolution | 15 |
| Non-profit Resolution | 15 |
| General Budget Preparation Form | 16 |
| Budget Preparation Form/Personnel | 17 |
| Summary by Fund Account | 18 |
| Estimated Revenues from Current Property Taxes | 19 |
| Maintenance of Effort Test | 20 |
| Highway Certification Form | 21 |
| Basic Formula | 23 |
| Assessment Summary | 24 |
| Estimating Actual Property Tax Collections | 24 |
| Calculation of Property Tax Estimate | 25 |
| Fund Balance Policy Example | 26 |

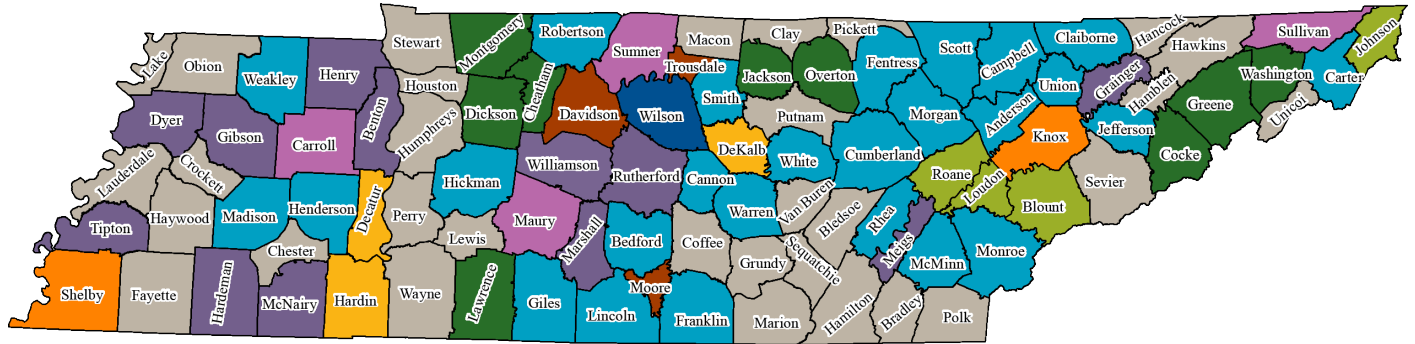
Operating Budget Resource Materials

Reference Number: CTAS-2080

Sample Letter of Agreement

County Budget Laws

Reference Number: CTAS-2114



Charter

- Knox
- Shelby

Metro Charter

- Davidson
- Moore
- Trousdale

1957 Act with Schools

- Blount
- Johnson
- Loudon
- Roane

1957 Act without Schools

- Cheatham
- Cocke
- Dickson
- Greene
- Jackson
- Lawrence
- Montgomery
- Overton
- Washington

Private Act

- Benton
- Dyer
- Gibson
- Grainger
- Hardeman
- Henry
- Marshall
- McNairy
- Meigs
- Rutherford
- Tipton
- Williamson

Centralized by Private Act

- Carroll
- Maury
- Sullivan
- Sumner

1981 Act with Schools

- Anderson
- Campbell
- Bedford
- Cannon

1981 Act without Schools

- Wilson

Carter
Cumberland
Franklin
Henderson
Jefferson
Madison
Monroe
Rhea
Scott
Union
Weakley

Claiborne
Fentress
Giles
Hickman
Lincoln
McMinn
Morgan
Robertson
Smith
Warren
White

General Law

| | |
|------------|------------|
| Bledsoe | Bradley |
| Chester | Clay |
| Coffee | Crockett |
| Fayette | Grundy |
| Hamblen | Hamilton |
| Hancock | Hawkins |
| Haywood | Houston |
| Humphreys | Lake |
| Lauderdale | Lewis |
| Macon | Marion |
| Obion | Perry |
| Pickett | Polk |
| Putnam | Sequatchie |
| Sevier | Stewart |
| Unicoi | Van Buren |
| Wayne | |

1993 Law

Decatur
DeKalb
Hardin

Department Budget by Object Code

Reference Number: CTAS-2081

Department Budget by Object Code

Expenditures

55130Ambulance

| | | |
|-----|---------------------------|---------|
| 105 | Supervisor/Director | 42,000 |
| 162 | Clerical Personnel | 21,000 |
| 164 | Attendants(EMT, PM) | 504,000 |
| 196 | In-service Training | 3,400 |
| 201 | Social Security | 45,747 |
| 204 | State Retirement | 10,325 |
| 207 | Employee Insurance | 54,000 |
| 210 | Unemployment compensation | 8,372 |
| 307 | Communication | 10,700 |
| 308 | Contracts w/Quality Care | 20,000 |
| 320 | Dues and Memberships | 200 |
| 332 | Legal Notices, Court Cost | 3,000 |
| 333 | Licenses | 2,300 |
| 335 | Maint/Repair/Building | 10,000 |
| 338 | Maint/Repair/Vehicles | 10,000 |
| 340 | Medical & Dental Services | 1,000 |

| | | |
|-----|---------------------------------|------------------|
| 348 | Postal Charges | 1,000 |
| 355 | Travel | 1,000 |
| 359 | Disposal Fees | 1,000 |
| 399 | Contracted Services | 6,000 |
| 410 | Custodial Supplies | 3,600 |
| 411 | Data Processing Supplies | 3,000 |
| 412 | Diesel Fuel | 18,000 |
| 413 | Drugs & Medical Supplies | 42,000 |
| 415 | Electricity | 7,500 |
| 434 | Natural Gas | 2,800 |
| 435 | Office Supplies | 1,000 |
| 450 | Tire and Tubes | 5,400 |
| 451 | Uniforms | 7,000 |
| 454 | Water and Sewer | 1,700 |
| 499 | Other Supplies (linens) | 8,000 |
| 502 | Building and Contents Insurance | 3,500 |
| 506 | Liability Insurance | 6,200 |
| 510 | Trustee's Commission | 13,372 |
| 511 | Vehicles & Equipment Insurance | 10,700 |
| 513 | Workers' Comp. Insurance | 36,870 |
| 708 | Communication Equipment | 10,000 |
| 709 | Data Processing Equipment | 16,700 |
| 711 | Furniture & Fixtures | 3,700 |
| 718 | Motor Vehicles | 184,000 |
| 735 | Health Equipment | 72,600 |
| | Total Ambulance Service | 1,212,686 |

Sample Budget Calendar

Reference Number: CTAS-718

SAMPLE BUDGET CALENDAR

_____ County

For the Fiscal Year 20__

PHASE ONE: Adoption of Budgeting System

| Dates | Responsibility | Procedures or Action To Be Taken |
|----------------------|------------------------------|--|
| November 1–January 1 | Committee & Department Heads | Develop procedures, budget forms and budget calendar |
| January 2–31 | CountyLegislativeBody | Adopt budgeting process |
| February 1 | Budget Coordinator | Transmit budget instructions, related statistical data, procedures, forms, and budget calendar to all department heads responsible for preparing the department’s budget |

PHASE TWO: Departments Prepare Budgets

| Dates | Responsibility | Procedures or Action To Be Taken |
|--------------|-----------------------|--|
| February 1 | Department Heads | Prepare information for proposed budget |
| April 1–10 | Department Heads | Provide complete information to budget coordinator |
| April 1 | Budget Coordinator | Assemble information for presentation to county legislative body |
| April 10–15 | Operating Department | Present budgets to county legislative body |

Heads

PHASE THREE: *Review, Analysis and Recommendations*

| Dates | Responsibility | Procedures or Action To Be Taken |
|--------------|-----------------------|---|
| April 15 | CountyLegislativeBody | Review budgets with department heads |
| May 15 | Budget Committee | Analyze budgets; review alternatives and priorities as to funding and expenditures; prepare recommendations |
| May 15-30 | Budget Coordinator | Prepare consolidated budgets and recommendations |

PHASE FOUR: *Review of Budget by County Legislative Body*

| Dates | Responsibility | Procedures or Action To Be Taken |
|--------------------|-----------------------------|---|
| June 1-20 | CountyLegislativeBody (CLB) | Review budgets |
| June 20-30 | CLB | Negotiate budget changes and hold budget hearings |
| July 1 - August 31 | CLB | Adopt budget |

PHASE FIVE: *Preparation and Dissemination of Adopted Budgets*

| Dates | Responsibility | Procedures or Action To Be Taken |
|---------------------|-----------------------|--|
| June 30 - August 31 | Budget Coordinator | Prepare adopted budget in printed form; disseminate budgets to department heads as their authority to receive and expend funds |

Recommended Practice: Develop a Budget Calendar

Sample Budget Handbook

Reference Number: CTAS-2083

Budget Handbook

_____ COUNTY, TENNESSEE
 BUDGET PREPARATION INSTRUCTIONS
 FISCAL YEAR 20__ - 20__

Instructions-Budget Form A

Budget Form A (General Budget Preparation Form) is provided for each department or function within a fund. Already listed on the form will be the actual expenditures for FY 20__-__, current approved Budget FY 20__-__ and expenditures through 20__-__ for each line item (object code) within the department budget. Based on the information provided in columns (1), (2) and (3); along with current knowledge, you (official/department head) are requested to make an accurate projection of the Total Expenditures for FY 20__-__ and list them by line item under column (4). Due to the need to determine accurate year-end balances it is very important that your expenditure projections be as accurate as possible. Refer to Budget Form B for information in making projections relating to "Salary" and "Compensation" line items.

After completing column (4) "20__-__ Projected Expenditures:", review each of the line items, one by one, and calculate the required amount to be proposed for the Budget Year 20__-__. Enter these amounts by line item in column (5) "20__-__ Proposed Budget". For salary and compensation line items, refer to the guidelines in the Budget Transmittal Letter and the instructions for completing Budget Form B prior to entering any figures on Form A. The total to be entered for each "Salary" line item on Budget Form A will be taken from the "FY 20__-__ Proposed Total Annual Compensation" column (8) of Budget Form B.

After completing the information required on Budget Form B and transferring the figures to the appropriate line items in column (5) of Budget Form A, please calculate the increases or decreases over FY 20__-__ approved budget [column (5) minus column (2)] and then list the difference under column (6) or (7). Increases for compensation, utilities, postage, supplies and other increases should be listed under column (6). Increases relating to new programs or expansion of existing programs should be listed under

column (7) and explained on the attached separate sheet.

Instructions-Budget Form B

Budget Form B (Budget Preparation Form/Personnel) is provided for each line item of a department or function with budgeted salaries or compensation for the Fiscal Year 20__-__. For assistance in preparing your budget, information is provided in column 2 through 5 relative to job title, employee name, current hourly, bi-weekly, or monthly rate and total annual compensation of each employee. The information listed in column (4) and (5) will include any experience/longevity step increases received by the employee to date. The totals for each account code for FY 20__-__ may not agree with the budgeted amount on Budget Form A for various reasons, although it does reflect the current levels of salary being charged. This will be your starting point for developing the proposed compensation for FY 20__-__ to be entered in column (8). Any new positions to be proposed will require information to be listed under column (2) – "Job Title", column (6) – "FY 20__-__ Proposed Annual Base" and column (8) "Proposed 20__-__ Total Annual Compensation". For any listed position that will not be filled in the fiscal year 20__-__ please write delete in column (8).

Refer to the attached Budget Transmittal Letter for guidelines to calculate proposed FY 20__-__ compensation amounts. The proposed rate for cost-of-living increases will be listed under section B. The first step will be to calculate the fiscal year 20__-__ annual base for each employee to be entered into column (6). The total of the amounts entered in this column should not exceed the FY 20__-__ Salary Budget plus the cost-of-living percentage. The department head/elected official will have the discretion to increase each employee the cost-of-living percentage (column 5 x cost-of-living percent) or to allocate the cost-of-living percentage pool based on the performance or some other basis.

The second step will be to add the amount entered in column 6 to the longevity/experience amount listed in column 7 to arrive at the Total Annual Compensation that you will list under column 8. Column 9 may be filled in if you desire, although it is not mandatory.

Sample Newspaper Notice

Reference Number: CTAS-2084

Notice for Newspaper

_____ County, Tennessee
 Proposed Budget
 For the Fiscal Year Ending 20__

| | Actual 20__-__ | Estimated 20__-__ | Estimated 20__-__ |
|--|-------------------|----------------------|----------------------|
|--|-------------------|----------------------|----------------------|

General Fund

Estimated Revenues & Other Sources

| | | | |
|---|--------------------|--------------------|--------------------|
| Local Taxes | \$1,434,942 | \$1,678,558 | \$1,732,457 |
| State of Tennessee | 693,206 | 1,177,386 | 877,680 |
| Federal Government | 451,309 | 114,910 | 290,000 |
| Other Sources | 616,810 | 70,200 | 525,023 |
| Total Estimated Revenues & Other Sources | \$3,196,267 | \$3,041,054 | \$3,425,160 |

Estimated Expenditures & Other Uses

| | | | |
|---|-------------|-------------|-------------|
| Salaries | \$1,401,490 | 1,492,701 | 1,536,429 |
| Other Cost | 1,557,051 | 1,357,786 | 1,166,234 |
| Total Estimated Expenditures & Other Uses | \$2,958,541 | \$2,850,487 | \$2,702,663 |
| Estimated Beginning Fund Balance-June 1 | \$599,926 | \$837,652 | \$1,028,219 |
| Estimated Ending Fund Balance-June 30 | \$837,652 | \$1,028,219 | \$1,750,716 |
| Employee Positions | 50 | 51 | 53 |

Highway/Public Works Department

Estimated Revenues & Other Sources

| | | | |
|---|-------------|-------------|--------------|
| Local Taxes | \$25,540 | \$21,668 | \$18,000 |
| State of Tennessee | 1,445,823 | 1,498,188 | \$1,530,181< |
| Federal Government | 530,951 | 124,395 | - |
| Total Estimated Revenue & Other Sources | \$2,002,314 | \$1,644,251 | \$1,548,181 |

Estimated Expenditures & Other Uses

| | | | |
|------------|-------------|-----------|-------------|
| Salaries | \$378,393 | \$370,216 | \$521,021 |
| Other Cost | \$1,526,188 | 957,615 | \$1,037,306 |

| | | | |
|---|-------------|-------------|-------------|
| Total Estimated Expenditures & Other Uses | \$1,904,581 | \$1,327,831 | \$1,558,327 |
| Estimated Beginning Fund Balance-June 1 | \$171,303 | \$269,036 | \$585,456 |
| Estimated Ending Fund Balance-June 30 | \$269,036 | \$585,456 | \$575,310 |
| Employee Positions | 18 | 18 | 23 |

General Purpose School Fund

Estimated Revenues & Other Sources

| | | | |
|---|-------------|-------------|-------------|
| Local Taxes | \$1,384,227 | \$1,350,361 | \$1,307,000 |
| State of Tennessee | 6,823,514 | 7,019,232 | 7,085,385 |
| Federal Government | 141,262 | 144,897 | 148,406 |
| Total Estimated Revenue & Other Sources | \$8,349,003 | \$8,514,490 | \$8,540,791 |

Estimated Expenditures & Other Uses

| | | | |
|---|-------------|-------------|-------------|
| Salaries | \$5,407,698 | \$5,650,875 | \$5,941,797 |
| Other Cost | 2,901,982 | 3,012,356 | 3,317,194 |
| Total Estimated Expenditures & Other Uses | \$8,309,680 | \$8,663,231 | \$9,258,991 |
| Estimated Beginning Fund Balance-June 1 | \$1,226,002 | \$1,265,325 | \$1,116,584 |
| Estimated Ending Fund Balance-June 30 | \$1,265,325 | \$1,116,584 | \$398,384 |

| | | | |
|--------------------|-----|-----|-----|
| Employee Positions | 229 | 334 | 340 |
|--------------------|-----|-----|-----|

Debt Service Fund

Estimated Revenues & Other Sources

| | | | |
|---|-----------|-----------|-----------|
| Local Taxes | \$386,756 | \$373,995 | \$460,765 |
| Other Sources | 330,372 | 315,664 | 317,450 |
| Total Estimated Revenue & Other Sources | \$717,128 | \$689,659 | \$778,215 |

Estimated Expenditures & Other Uses

| | | | |
|---|-----------|-----------|-----------|
| Debt Service Cost | \$757,535 | \$806,018 | \$799,111 |
| Estimated Beginning Fund Balance-June 1 | \$209,585 | \$169,178 | \$52,819 |
| Estimated Ending Fund Balance-June 30 | \$169,178 | \$52,819 | \$31,923 |

Requirements for an Adopted Budget

Reference Number: CTAS-2085

The Comptroller of the Treasury sends out an Annual Budget Memo that includes the forms and procedures required for county budget appropriation resolutions. Counties are required to submit their budget with required supporting documents to the office of Local Government Finance (LGF) within 15 days of adoption. The Comptroller’s letter states that "The county and its officials, by submission of their budget to LGF, represent that their annual operating and capital budget as adopted is realistic and in compliance with all federal, state or local statutes for specific programs." Counties that submit a budget with incorrect information may be required to submit monthly reports to LGF.

Local Government Finance

Appropriation Resolution

Reference Number: CTAS-2086

RESOLUTION NO. _____
A RESOLUTION AUTHORIZING APPROPRIATIONS FOR THE VARIOUS FUNDS,
DEPARTMENTS, INSTITUTIONS, OFFICES AND AGENCIES OF
_____ COUNTY, TENNESSEE
FOR THE FISCAL YEAR
BEGINNING JULY 1, 20___ AND ENDING JUNE 30, 20___

SECTION 1. BE IT RESOLVED by the Board of County Commissioners of _____ County, Tennessee assembled in regular session on the ____ day of _____, 20___, that the amounts hereinafter set out are hereby appropriated for the purpose of meeting the expenses of the various funds, departments, institutions, offices and agencies of _____ County, Tennessee. The amounts hereinafter set out are appropriated for the operating expenses, capital outlays, transfers, and for the payment of principal and interest on the County’s outstanding debt maturing during the year beginning July 1, 20___ and ending June 30, 20___, according to the following schedule:

| <u>GENERAL FUND</u> | |
|----------------------------|-----------|
| County Commission | 164,300 |
| Beer Board | 1,940 |
| County Mayor | 401,304 |
| County Attorney | 167,000 |
| Election Commission | 644,206 |
| Register of Deeds | 276,239 |
| Codes Compliance | 169,950 |
| County Buildings | 2,953,039 |
| Other Facilities | 423,299 |
| Property Assessor’s Office | 156,934 |
| County Trustee | 435,076 |
| County Clerk | 935,566 |
| Other Finance | 734,600 |
| Circuit Court | 1,321,618 |
| General Sessions | 456,967 |
| Drug Court | 211,784 |
| Chancery Court | 348,899 |
| Juvenile Court | 223,300 |
| Judicial Commissioners | 148,366 |
| Probation Services | 52,700 |
| Victim Assistance Program | 305,375 |
| Sheriff’s Dept. | 7,311,487 |
| Jail | 5,041,490 |
| Workhouse | 143,606 |
| Juvenile Services | 659,972 |
| Commissary | 360,000 |
| Fire Prevention | 968,940 |
| Civil Defense | 347,565 |
| Other Emergency Services | 168,627 |
| County Coroner | 254,900 |
| Other Public Safety | 1,044,000 |
| Local Health Center | 394,953 |
| Ambulance Service | 5,625,750 |
| Other Local Health | 74,800 |
| General Welfare Assistance | 5,000 |
| Aid to Dependent Children | 8,000 |
| Other Public Health | 1,527,400 |
| Senior Citizens | 84,170 |

| | |
|---------------------------------|-------------------|
| Libraries | 674,852 |
| Parks & Fairboards | 5,354 |
| Other Social & Cultural | 12,000 |
| Agriculture Extension Svcs. | 280,550 |
| Forest Service | 1,500 |
| Soil Conservation | 75,100 |
| Airport | 35,000 |
| Veterans Services | 112,123 |
| Contributions to other Agencies | 280,258 |
| Employee Benefits | 9,851,000 |
| Miscellaneous | 2,121,165 |
| Transfers Out | 0 |
| TOTAL GENERAL FUND | 48,002,024 |

SOLID WASTE/SANITATION FUND

| | |
|--------------------------|------------------|
| Sanitation Management | 5,153,810 |
| Other Waste Collection | 0 |
| Landfill Operation | 145,000 |
| Other Waste Disposal | 955,000 |
| Postclosure Care Costs | 217,600 |
| TOTAL SOLID WASTE | 6,471,410 |

DEBT SERVICE FUND

| | |
|---------------------------|-------------------|
| Capital Outlay | 903,990 |
| Education Debt Service | 10,228,803 |
| Other Debt Service | 362,000 |
| Public Safety Projects | 7,174,456 |
| Transfers Out | 12,000,000 |
| TOTAL DEBT SERVICE | 30,669,249 |

SAMPLE COUNTY ROAD FUND

| | |
|---------------------------|------------------|
| Administration | 409,637 |
| Highway & Bridge Maint. | 3,892,550 |
| Operation & Maint. Equip. | 548,050 |
| Other Charges | 285,300 |
| Capital Outlay | 625,000 |
| TOTAL ROAD FUND | 5,760,537 |

CHILD NUTRITION FUND

| | |
|------------------------------|------------------|
| Food Service | 7,225,000 |
| Operating Transfers | 675,000 |
| TOTAL CHILD NUTRITION | 7,900,000 |

EXTENDED SCHOOL PROGRAM

| | |
|------------------------------|------------------|
| Community Services | 1,674,110 |
| TOTAL EXTENDED SCHOOL | 1,674,110 |

DRUG CONTROL FUND

| | |
|---------------------------|----------------|
| Drug Enforcement | 203,400 |
| TOTAL DRUG CONTROL | 203,400 |

INDUSTRIAL/ECONOMIC DEVELOPMENT

| | |
|-------------|--------|
| Development | 13,800 |
|-------------|--------|

| | |
|--|-------------------|
| Industrial Development | 1,114,650 |
| Miscellaneous | 0 |
| Transfers Out | 103,925 |
| TOTAL INDUSTRIAL FUND | 1,232,375 |
| | |
| <u>CAPITAL PROJECTS FUND</u> | |
| County Buildings | 16,067,000 |
| TOTAL CAPITAL PROJECTS | 16,067,000 |
| | |
| <u>PRESERVATION OF RECORDS FUND</u> | |
| Preservation of Records | 104,000 |
| TOTAL OF PRESERVATION OF RECORDS | 104,000 |
| | |
| <u>OTHER SPECIAL REVENUE FUND</u> | |
| Preservation of Records | 700 |
| TOTAL OF PRESERVATION OF RECORDS | 700 |
| | |
| <u>SPORTS AND RECREATION FUND</u> | |
| Parks and Fairboards | 1,293,320 |
| Other Social Recreation | 166,150 |
| TOTAL OF SPORTS AND RECREATION FUND | 1,459,470 |
| | |
| <u>COMMUNITY DEVEL. FUND</u> | |
| Development | 154,100 |
| TOTAL OF COMMUNITY DEVELOPMENT FUND | 154,100 |
| | |
| <u>GENERAL PURPOSE SCHOOL FUND</u> | |
| Regular Instruction Program | 49,344,425 |
| Alternative Instruction | 688,785 |
| Special Instruction Program | 10,926,736 |
| Vocational Education Program | 2,090,091 |
| Adult Education Program | 0 |
| Attendance | 347,126 |
| Health Services | 1,261,265 |
| Other Student Support | 3,258,823 |
| Regular Education Program | 3,208,101 |
| Support Alternative Service | 156,766 |
| Special Education Program | 1,935,709 |
| Vocational Education Program | 128,062 |
| Technology | 1,732,149 |
| Board of Education | 2,023,135 |
| Office of Director of Schools | 178,537 |
| Office of the Principal | 7,534,342 |
| Fiscal Services | 1,060,227 |
| Human Services/Personnel | 287,976 |
| Operation of Plant | 8,186,908 |
| Maintenance of Plant | 2,682,386 |
| Transportation | 3,965,348 |
| Central and Other | 0 |
| Food Service | 470,511 |
| Community Services | 33,076 |
| Early Childhood Education | 1,973,504 |

| | |
|---------------------------------|------------------------|
| Capital Outlay | 0 |
| TOTAL GENERAL PURPOSE | 103,473,988 |
| TOTAL APPROPRIATIONS | 223,172,363 |

SECTION 2. BE IT FURTHER RESOLVED that the budget for the School Federal Projects Fund shall be the budget and all amendments approved for separate projects within the Fund by the Tennessee Department of Education and the local Board of Education.

SECTION 3. BE IT FURTHER RESOLVED that there are also hereby appropriated certain portions of the commissions and fees for collecting taxes and licenses and for administering other funds which the Trustee, County Clerk, Circuit Court Clerk, Clerk & Master, Register and the Sheriff and their officially authorized deputies and assistants may severally be entitled to receive under State laws heretofore or hereafter enacted. Expenditures out of commissions and/or fees collected by the Trustee, County Clerk, Circuit Court Clerk, Clerk & Master, Register and the Sheriff may be made for such purposes and in such amounts as may be authorized by existing law or by valid order of any court having power to make such appropriations. Any such excess commissions and/or fees collected over and above the expenditures duly and conclusively authorized shall be paid over to the Trustee and converted into the General Fund as provided by law. If any fee officials, as enumerated in Tenn. Code Ann. § 8-22-101, operate under provisions of Tenn. Code Ann. § 8-22-104, provisions of the preceding paragraph shall not apply to those particular officials.

SECTION 4. BE IT FURTHER RESOLVED that any appropriations made by this resolution which cover the same purpose for which a specific appropriation is made by statute is made in lieu of but not in addition to said statutory appropriation. The salary, wages, or remuneration of each officer, employee or agent of the County shall not be in excess of the amounts authorized by this resolution. Provided, however, that appropriations for such salaries, wages, or other remuneration hereby authorized shall in no case be construed as permitting expenditures for an office, agency, institution, division, or department of the County in excess of the appropriation made herein for such appropriation shall constitute the limit to the expenditures of any office, agency, institution, division or department for the year ending June 30, 20___. The aggregate expenditures for any item of appropriation shall in no instance be more than the amount herein appropriated for such item.

SECTION 5. BE IT FURTHER RESOLVED that any amendment to the budget shall be approved as provided in Tenn. Code Ann. § 5-9-407. One copy of each amendment shall be filed with the County Clerk, one copy with the Chairman of the Budget Committee, one copy with each divisional or departmental head concerned. A description of the amendment, including its purpose and why it is needed during the current fiscal year; a statement disclosing the cost of the amendment by budget line item with subclassifications that shows each specific cost element, and the source of funding for the expenditure itemized by type must be included in the language of the amendment resolution. One copy of each amendment shall be submitted to the Comptroller’s Division of Local Government Finance after its adoption. This section shall in no case whatsoever be construed as authorizing transfer from one fund to another but shall apply solely to transfer within a certain fund.

SECTION 6. BE IT FURTHER RESOLVED that any resolution which may hereafter be presented to the Board of County Commissioners providing for appropriations in addition to those made by this Budget Appropriation Resolution shall specifically provide sufficient revenue or other funds, to be provided during the year in which the expenditure is to be made, to meet such additional appropriation. Said appropriating resolution shall be submitted to the Comptroller’s Division of Local Government Finance after its adoption as provided by Tenn. Code Ann. § 9-21-406.

SECTION 7. BE IT FURTHER RESOLVED that the County is hereby authorized to borrow money on tax and revenue anticipation notes, provided such notes are first approved by the Comptroller’s Division of Local Government Finance, to pay for the expenses herein authorized until the taxes and other revenue for the fiscal year 20__ - 20__ have been collected. The proceeds of loans for each individual fund shall not exceed 60% of the appropriations of each individual fund and shall be used only to pay the expenses and other requirements of the fund for which the loan is made. The loan shall be paid out of revenue from the fund for which money is borrowed. The notes evidencing the loans authorized under this section shall be issued under the applicable sections of Tennessee Code Annotated Title 9, Chapter 21. Said notes shall be signed by the County Mayor and countersigned by the County Clerk and shall mature and be paid in full without renewal no later than June 30, 20___.

SECTION 8. BE IT FURTHER RESOLVED that the delinquent County Property taxes for the year 20___, and prior years and the interest and penalty thereon collected during the year ending June 30, 20___ shall be apportioned to the various County Funds according to the subdivision of the tax levy for the year 20___. The Clerk and Master and the Trustee are hereby authorized and directed to make such

apportionment accordingly.

SECTION 9. BE IT FURTHER RESOLVED that all unencumbered balances of appropriations remaining at the end of the year shall lapse and be of no further effect at the end of the year June 30, 20__.

SECTION 10. BE IT FURTHER RESOLVED that any resolution or part of a resolution which has heretofore been passed by the Board of County Commissioners which is in conflict with any provision in this resolution be and the same is hereby repealed.

SECTION 11. BE IT FURTHER RESOLVED that this resolution shall take effect from and after its passage and its provisions shall be in force from and after July 1, 20__.

PASSED THIS _____ of _____, 20__.

_____, County Mayor

Attest:

_____, County Clerk

Tax Levy Resolution

Reference Number: CTAS-2087

RESOLUTION FIXING THE TAX LEVY IN
_____ COUNTY, TENNESSEE
FOR THE YEAR BEGINNING JULY 1, 20__

SECTION 1. BE IT RESOLVED by the Board of County Commissioners of _____ County, Tennessee, assembled in regular session on this 18th day of July, 20__, that the combined property tax rate for _____ County, Tennessee for the year beginning July 1, 20__, shall be \$1.5341 on each \$100 of taxable property, which is to provide revenue for each of the following funds and otherwise conform to the following levies:

| FUND | Rate |
|------------------------|------------------|
| General | \$ 0.5568 |
| General Purpose School | 0.6987 |
| General Debt Service | 0.0855 |
| Rural Debt Service | <u>\$ 0.1931</u> |
| Total | <u>\$ 1.5341</u> |

SECTION 2. BE IT FURTHER RESOLVED that there is hereby levied a gross receipts tax as provided by law. The proceeds of the gross receipts tax herein levied shall accrue to the General Fund.

SECTION 3. BE IT FURTHER RESOLVED, that all resolutions of the Board of County Commissioners of _____ County, Tennessee, which are in conflict with this resolution are hereby repealed.

SECTION 4. BE IT FURTHER RESOLVED, that this resolution take effect from and after its passage, the public welfare requiring it. This resolution shall be spread upon the minutes of the Board of County Commissioners.

Passed this ___ day of _____, 20__.

Non-profit Resolution

Reference Number: CTAS-2088

SAMPLE RESOLUTION MAKING APPROPRIATIONS TO NON-PROFIT CHARITABLE ORGANIZATIONS OF _____ COUNTY, TENNESSEE FOR THE YEAR BEGINNING July 1, 20___, AND ENDING June 30, 20___.

WHEREAS, Section 5-9-109, Tennessee Code Annotated, authorizes the _____ County Legislative Body to make appropriations to various nonprofit charitable organizations; and

WHEREAS, the _____ County Legislative Body recognizes the various nonprofit charitable organizations providing services in _____ County have great need of funds to carry on their nonprofit charitable work.

NOW, THEREFORE, BE IT RESOLVED by the Board of County Commissioners of _____ County, on this the ___ day of _____, 20___.

SECTION 1. That five hundred eighteen thousand, one hundred ninety-four (\$518,194) be appropriated to nonprofit organizations in _____ County as reflected below.

| No. | Agency | Amount |
|---------------|--------------------------------------|-------------------|
| 101-51710-309 | Partnership for Economic Development | \$ 20,000 |
| 101-54310-399 | Fire Prevention and Control | 191,863 |
| 101-55110-316 | Health Department | 75,000 |
| 101-55190-309 | American Legion | 500 |
| 101-55190-309 | Lions Club | 500 |
| 101-55190-310 | Caring Incorporated | 65,000 |
| 101-55190-310 | County Speech & Hearing | 10,000 |
| 101-56500-316 | Library | 134,331 |
| 101-56700-316 | Parks & Fair Boards | 18,000 |
| 101-58300-316 | Veterans Service | 3,000 |
| | Total | <u>\$ 518,194</u> |

BE IT FURTHER RESOLVED that all appropriations enumerated in Section 1 above are subject to the following conditions:

1. That the non-profit charitable organization to which funds are appropriated shall file with the County Clerk and the disbursing official a copy of an annual report of its business affairs and transactions and the proposed use of the County's funds. Such annual report shall be prepared and certified by the Chief Financial Officer of such non-profit organization in accordance with Section 5-9-109(c), Tennessee Code Annotated.
2. That said funds must only be used by the named non-profit charitable organization in furtherance of their non-profit charitable purpose benefitting the general welfare of the residents of the _____ County.
3. That it is the expressed interest of the County Commission of _____ County providing these funds to the above named non-profit charitable organizations to be fully in compliance with Section 5-9-109 of Tennessee Code Annotated and any and all other laws which may apply to County appropriations to non-profit organizations and so this appropriation is made subject to compliance with any and all of these laws and regulations.

BE IT FURTHER RESOLVED that this resolution shall take effect from and after its passage and its provisions shall be in force from and after July 1, 20___. This resolution shall be spread upon the minutes of the Board of County Commisioners

Passed this ___ day of _____, 20___.

General Budget Preparation Form

Reference Number: CTAS-2089

Budget Form A

General Budget Preparation Form
 _____ COUNTY, TENNESSEE
 FISCAL YEAR 20____ - 20____

FUND: _____
 DEPARTMENT: _____

DEPARTMENT ACCOUNT NO. _____

PREPARED BY: _____

| ACCOUNT CODE | DESCRIPTION | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 |
|--------------|-------------|---------------------|---------------------------------|--|--|---------------------------------|---|--|--|--------------------------------|
| | | 20__-20__ ACTUAL | 20__-20__ APPROVED BUDGET | 20__-20__ EXPENDITURES THRU XXXX__ | 20__-20__ PROJECTED EXPENDITURES | 20__-20__ PROPOSED BUDGET | INCREASES (DECREASES) REQUIRED INFLATION | (COLUMN 6-7) OVER FY 20__-20__ OTHER | BUDGET COMMITTEE RECOMMENDATIONS | ADOPTED BUDGET 20__-20__ |
| | | | | | | | | | | |
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Budget Preparation Form/Personnel
 Reference Number: CTAS-2090

Budget Form B

Budget Preparation Form/Personnel

_____, County, Tennessee
Estimated Requirement for Employee Services and Proposed Compensation Schedule for Fiscal Year Beginning July 1, _____

SUBMITTED BY: _____
SHEET _____ OF _____

FUND: _____
DEPARTMENT: _____
ACCOUNT CODE: _____

| CODE NO. | JOB TITLE OR POSITION (INCLUDE OPEN POSITIONS) | EMPLOYEE NAME | FISCAL YEAR 200-20 | AUTHORIZED | FISCAL YEAR 20-20 | PROPOSED | STEP # | TOTAL ANNUAL COMPENSATION (COLUMN 6+7) | RATE HOURLY BIWEEKLY MONTHLY |
|----------|---|---------------|---------------------------------------|---|---|-----------------------------------|--------|--|---------------------------------------|
| | | | RATE HOURLY BIWEEKLY OR MONTHLY | TOTAL ANNUAL COMPENSATION (INCLUDE LONGEVITY) | ANNUAL BASE COLUMN 5 X COST OF LIVING % | LONGEVITY EXPERIENCE AMOUNT | | | |
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Summary by Fund Account

Reference Number: CTAS-2092

Budget Summary
FY20____

| Fund | Beginning Spendable Fund Balance | Revenues | Debt Proceeds | Transfers-In | Estimated Receipts | Available F |
|---------------------------------|----------------------------------|---------------------|---------------------|--------------|------------------------------|---------------------|
| General Fund | \$ 1,008,376 | \$ 531,950 | \$ 85,000 | \$ - | \$ 616,950 | \$ 1,622,326 |
| Highway Fund | 132,415 | 287,090 | - | - | 287,090 | 419,505 |
| Solid Waste Fund | 192,400 | 204,620 | - | - | 204,620 | 397,020 |
| Drug Fund | 1,041,621 | 1,673,000 | - | - | 1,673,000 | 2,714,621 |
| General Purpose School Fund | | | | - | - | |
| School Cafeteria Fund | | | | - | - | |
| School Federal Projects Fund | | | | - | - | |
| Water & Sewer Fund | | | | - | - | |
| General Debt Service Fund | | | | - | - | |
| Totals | \$ 2,374,812 | \$ 2,696,660 | \$ 85,000 | \$ - | \$ 2,781,660 | \$ 5,153,932 |
| Debt Service | | | | | | |
| | Principal | Interest | Debt Service | | | Princip |
| Fund: General Debt Service Fund | | | | | Fund: | |
| Schedule of Outstanding Debt | \$ 126,734 | \$ 28,946 | \$ 155,680 | | Schedule of Outstanding Debt | |
| Less: Budgeted Debt Payments | | | | | Less: Budgeted Debt Payments | |
| Difference: | 126,734 | 28,946 | 155,680 | | Difference: | |
| Fund: Water & Sewer Fund | | | | | Fund: | |
| Schedule of Outstanding Debt | 25,500 | 6,310 | 31,810 | | Schedule of Outstanding Debt | |
| Less: Budgeted Debt Payments | | | | | Less: Budgeted Debt Payments | |
| Difference: | 25,500 | 6,310 | 31,810 | | Difference: | |
| Fund: Highway Fund | | | | | Fund: | |
| Schedule of Outstanding Debt | 128,934 | 29,521 | 158,455 | | Schedule of Outstanding Debt | |
| Less: Budgeted Debt Payments | | | | | Less: Budgeted Debt Payments | |
| Difference: | \$ 128,934 | \$ 29,521 | \$ 158,455 | | Difference: | |

Estimated Revenues from Current Property Taxes

Reference Number: CTAS-2094

_____ County, Tennessee
 Statement of Estimated Revenues from Current Property Taxes
 20__ Assessments Based upon Estimated
 Assessed Valuation of \$640,870,000

| Fund | Proposed Tax Rate | Amount of Tax Levy | Reserve for Delinquency 9.0% | Net Estimated Collection of Taxes |
|------------------------|-------------------|--------------------|------------------------------|-----------------------------------|
| General | \$0.5568 | \$3,568,044 | \$321,124 | \$3,246,920 |
| General Purpose School | \$0.6987 | \$4,477,841 | \$403,006 | \$4,074,835 |
| General Debt Service | \$0.0855 | \$548,182 | \$49,336 | \$498,845 |

Total \$1.3410 \$8,594,067 \$773,466 \$7,820,601

_____ County, Tennessee
 Statement of Estimated Revenues from Current Property Taxes
 20__ Assessments Based upon Estimated
 Assessed Valuation of \$640,870,000

| Fund | Proposed Tax Rate | Amount of Tax Levy | Reserve for Delinquency 9.0% | Net Estimated Collection of Taxes |
|--|-------------------|--------------------|------------------------------|-----------------------------------|
| General | \$0.5568 | \$3,568,044 | \$321,124 | \$3,246,920 |
| General Purpose School | \$0.6987 | \$4,477,841 | \$403,006 | \$4,074,835 |
| General Debt Service | \$0.0855 | \$548,182 | \$49,336 | \$498,846 |
| Rural Debt Service (inside city or SSD) | \$ - | \$ - | \$ - | \$ - |
| Rural Debt Service (outside city or SSD) | <u>\$0.2000</u> | <u>\$1,237,360</u> | <u>\$111,362</u> | <u>\$1,125,998</u> |
| Total | <u>\$1.5410</u> | <u>\$9,831,427</u> | <u>\$884,828</u> | <u>\$8,946,599</u> |

Notes:

- The Assessment for the Rural Debt Service Fund tax rate is \$618,680,000 – excludes SSD or city assessment
- ADA Proration:

| | Percentage | Amount |
|---------------------------------|----------------|--------------------|
| General Purpose School Fund | 93.50% | \$3,809,971 |
| City or Special School District | 6.50% | \$264,864 |
| Total | <u>100.00%</u> | <u>\$4,074,835</u> |

- Rate of \$0.00 for _____ Special School District

Maintenance of Effort Test

Reference Number: CTAS-2095

eReports - Maintenance of Effort Test

eReporting - State Of Tennessee - Department Of Education

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County: 20XX - 20XX Maintenance of Effort Test

| | Column 1 | Column 2 | Column 3 | Column 4 | Column 5 | Column 6 | |
|---|--|-------------------|--------------------------|---------------------------|-------------------|-----------------------------|-----------------------------|
| Account | Account Description | Budget 2010-2011 | Amended Budget 2009-2010 | Original Budget 2009-2010 | AFR 2009-2010 | Actual vs. Budget 2009-2010 | 2011 Budget vs. 2010 Budget |
| First Level - Straight Year to Year Comparison | | | | | | | |
| 40110 | Current Property Tax | 18,344,800 | 15,926,000 | 15,926,000 | 15,813,211 | (112,689) | 2,411,000 ** |
| 40120 | Trustee's Collections - Prior Year | 835,800 | 850,000 | 850,000 | 647,847 | (2,353) | (15,000) |
| 40130 | Circuit Clerk/Clerk & Master Collections - Prior Years | 90,800 | 75,000 | 75,000 | 138,375 | 61,375 | 11,000 ** |
| 40140 | Interest and Penalty | 100,800 | 100,000 | 90,000 | 105,869 | 5,869 | 0 |
| 40150 | Pickup Taxes | 90,800 | 90,000 | 85,000 | 123,061 | 33,061 | 0 |
| 40161 | Payments in Lieu of Taxes - T.V.A. | 13,800 | 13,000 | 13,000 | 12,172 | (628) * | 0 |
| 40162 | Payments in Lieu of Taxes - Local Utilities | 110,800 | 105,000 | 105,000 | 139,131 | 34,131 | 5,000 |
| 40163 | Payments in Lieu of Taxes - Other | 0 | 0 | 0 | 57,483 | 57,483 | 0 |
| 40210 | Local Option Sales Tax | 9,427,800 | 10,990,000 | 10,993,000 | 9,529,423 | (566,577) * | (869,000) |
| 40270 | Business Tax | 390,800 | 390,000 | 395,000 | 471,788 | 76,700 | 965,000 |
| 40290 | Other County Local Option Taxes | 9,800 | 9,000 | 9,000 | 5,785 | (3,215) * | 0 |
| 40320 | Bank Excise Tax | 0 | 0 | 0 | 142,952 | 142,952 | 0 |
| | Total County Taxes | 29,199,800 | 27,450,000 | 27,441,000 | 27,194,909 | (274,091) | 1,700,000 ** |
| 41110 | Marriage Licenses | 4,700 | 4,000 | 4,000 | 5,593 | 1,593 | 790 ** |
| 41140 | Cable TV Franchise | 0 | 0 | 0 | 342,631 | 342,631 | 0 |
| 44110 | Investment Income | 110,800 | 173,000 | 171,000 | 189,544 | 16,544 | 80,000 |
| 44120 | Lease/Rentals | 27,800 | 27,000 | 27,000 | 28,233 | 1,233 | 0 |
| 46990 | Mixed Drink Tax | 40,200 | 40,000 | 48,000 | 44,582 | (1,418) | (6,000) |
| 46951 | State Revenue Sharing - T.V.A. | 1,111,800 | 1,134,000 | 1,134,000 | 1,297,514 | 163,514 | (23,000) |
| | Total Local Revenue per School Records | 30,480,700 | 28,843,000 | 28,825,000 | 29,093,006 | 250,006 | 1,611,700 ** |
| Cap. Outlay | (Less) Local revenue increases for Capital Outlay | 0 | 0 | 0 | 0 | 0 | 0 |
| Debt Svc | (Less) Local revenue increases for Capital Outlay | 0 | 0 | 0 | 0 | 0 | 0 |
| | Total Adjusted Local Revenue | 30,480,700 | 28,843,000 | 28,825,000 | 29,093,006 | 250,006 | 1,611,700 ** |
| Second Level - Per Pupil Revenue | | | | | | | |
| | Total Adjusted Local Revenue | 30,480,700 | 28,843,000 | 28,825,000 | 29,093,006 | | |
| | ADM (From BEP Allocation Sheet) | 0 | 11,429 | 11,429 | 11,429 | | |
| | Per Pupil Revenue | | 2,524 | 2,522 | 2,548 | | |

*. An explanation is required when actual revenues collected are less than 95% of budgeted revenues.
 **. An explanation is required when proposed budget estimates exceed prior year's budget/amended budget by more than 5%.
 Proposed budget passes Maintenance of Effort

Comments

<https://www.k-12.state.tn.us/eReporting/MoeReport.aspx?reportcode=MOE> (1 of 2) [12/10/20 2:32:53 PM]

Highway Certification Form

Reference Number: CTAS-2096

Example County
 Highway Certification Worksheet

*Enter amounts for accounts in which you received revenue. Enter ZERO (0) for accounts in which you did not.

| I. Calculate Average | 2013-2014 | 2014-2015 | 2015-2016 | 2016-2017 | 2017-2018* | Total | II. Fiscal Year Appropriation | 2018-2019 |
|---|----------------|----------------|----------------|----------------|----------------|-----------------|--|----------------|
| 40110 Current Property Tax | 615,300 | 626,127 | 630,826 | 636,074 | 651,735 | 3,160,062 | 40110 Current Property Tax | 650,421 |
| 40115 Discount on Property Taxes | | | | | 0 | 0 | 40115 Discount on Property Taxes | 0 |
| 40120 Trustee's Collections - Prior Year | 31,400 | 27,944 | 33,243 | 25,942 | 24,333 | 142,902 | 40120 Trustee's Collections - Prior Year | 32,00 |
| 40125 Trustee's Collections - Bankruptcy | | | 41 | | 0 | 41 | 40125 Trustee's Collections - Bankruptcy | 50 |
| 40130 Circuit/Clerk & Master Collections - Prior Years | 19,634 | 16,956 | 22,314 | 10,006 | 8,088 | 76,998 | 40130 Circuit/Clerk & Master Collections - Prior Years | 22,000 |
| 40140 Interest and Penalty | 14,382 | 13,610 | 17,953 | 9,644 | 7,700 | 63,289 | 40140 Interest and Penalty | 19,000 |
| 40150 Pick-up Taxes | | | | | 0 | 0 | 40150 Pick-up Taxes | 0 |
| 40161 Payments in Lieu of Taxes - T.V.A. | 222 | 222 | 194 | 194 | 194 | 1,02 | 40161 Payments in Lieu of Taxes - T.V.A. | 222 |
| 40162 Payments in Lieu of Taxes - Local Utilities | 188 | 104 | 163 | 165 | 174 | 794 | 40162 Payments in Lieu of Taxes - Local Utilities | 100 |
| 40163 Payments in Lieu of Taxes - Other | 3,887 | 3,963 | 3,736 | 3,939 | 1,799 | 17,324 | 40163 Payments in Lieu of Taxes - Other | 3,900 |
| 40210 Local Option Sales Tax | | | | | 0 | 0 | 40210 Local Option Sales Tax | 0 |
| 40220 Hotel/Motel Tax | | | | | 0 | 0 | 40220 Hotel/Motel Tax | 0 |
| 40240 Wheel Tax | 114,367 | 114,356 | 114,059 | 116,633 | 105,688 | 565,103 | 40240 Wheel Tax | 125,000 |
| 40250 Litigation Tax - General | | | | | 0 | 0 | 40250 Litigation Tax - General | 0 |
| 40260 Litigation Tax - Special Purpose | | | | | 0 | 0 | 40260 Litigation Tax - Special Purpose | 0 |
| 40270 Business Tax | | | | | 0 | 0 | 40270 Business Tax | 0 |
| 40280 Mineral Severance Tax | 36,622 | 56,145 | 58,297 | 59,544 | 33,682 | 244,290 | 40280 Mineral Severance Tax | 69,000 |
| 40285 Adequate Facilities/Development Tax | | | | | 0 | 0 | 40285 Adequate Facilities/Development Tax | 0 |
| 40290 Other County Local Option Taxes | | | | | 0 | 0 | 40290 Other County Local Option Taxes | 0 |
| 40320 Bank Excise Tax | 7,158 | 6,973 | 3,387 | 344 | 91 | 17,953 | 40320 Bank Excise Tax | 3,300 |
| 40330 Wholesale Beer Tax | | | | | 0 | 0 | 40330 Wholesale Beer Tax | 0 |
| 40331 Beer Privilege Tax | | | | | 0 | 0 | 40331 Beer Privilege Tax | 0 |
| 40340 Coal Severance Tax | | | | | 0 | 0 | 40340 Coal Severance Tax | 0 |
| 40350 Interstate Telecommunications Tax | | | | | 0 | 0 | 40350 Interstate Telecommunications Tax | 0 |
| 44110 Investment Income | | | | | 0 | 0 | 44110 Investment Income | 0 |
| 44990 Other Local Revenues | | | | | 0 | 0 | 44990 Other Local Revenues | 0 |
| Total Local Revenue | 843,200 | 866,400 | 884,213 | 862,485 | 833,569 | 4,289,86 | | 924,993 |
| Average = Total of 5 years total local revenue divided by 5 | | | | | | | Five-Year Average | 857,973 |
| *estimate if audit figures are unavailable | | | | | | | | |

Example County Tennessee

July 11, 2018
 COUNTY TECHNICAL ASSISTANCE SERVICE
 226 ANNE DALLAS DUDLEY BOULEVARD, SUITE 400 NASHVILLE, TENNESSEE 37219-1804

EXAMPLE COUNTY, TENNESSEE HIGHWAY FUND LOCAL REVENUES CERTIFICATION FOR FY 2018-2019

| Description | Actual 2013-2014 | Actual 2014-2015 | Actual 2015-2016 | Actual 2016-2017 | Actual 2017-2018 | 5 Year Average | Budget 2018-2019 |
|---|---------------------|---------------------|---------------------|---------------------|---------------------|--------------------------|---------------------|
| Current Property Tax | 615,300 | 626,127 | 630,826 | 636,074 | 651,735 | 3,160,062 | 650,421 |
| Trustee's Collections - Prior Year | 31,440 | 27,944 | 33,243 | 25,942 | 24,333 | 142,902 | 32,000 |
| Trustee's Collections - Bankruptcy | | | 41 | | 0 | 41 | 50 |
| Circuit/Clerk & Master Collections - Prior Years | 19,634 | 16,956 | 22,314 | 10,006 | 8,088 | 76,998 | 22,000 |
| Interest and Penalty Payments in Lieu of Taxes - T.V.A. | 14,382 | 13,610 | 17,953 | 9,644 | 7,700 | 63,289 | 19,000 |
| Payments in Lieu of Taxes - Local Utilities | 222 | 222 | 194 | 194 | 194 | 1,026 | 222 |
| Payments in Lieu of Taxes - Other | 188 | 104 | 163 | 165 | 174 | 794 | 100 |
| Wheel Tax | 3,887 | 3,963 | 3,736 | 3,939 | 1,799 | 17,324 | 3,900 |
| Mineral Severance Tax | 114,367 | 114,356 | 114,059 | 116,633 | 105,688 | 565,103 | 125,000 |
| Bank Excise Tax | 36,622 | 56,145 | 58,297 | 59,544 | 33,682 | 244,290 | 69,000 |
| Interstate Telecommunications Tax | 7,158 | 6,973 | 3,387 | 344 | 91 | 17,953 | 3,3008 |
| Total Local Revenue | | | | | 85 | 85 | 0 |
| | 843,200 | 866,400 | 884,213 | 862,485 | 833,569 | 4,289,867 | 924,993 |
| Average = Total of 5 years total local revenue divided by 5 | | | | | | Five-Year Average | 857,973 |

THE UNDERSIGNED OFFICIALS OF EXAMPLE COUNTY, TN DO HEREBY CERTIFY THAT \$924,993 HAS BEEN APPROPRIATED AND ALLOCATED FOR COUNTY HIGHWAY PURPOSES FROM FISCAL YEAR 2018-2019 LOCAL REVENUE SOURCES AS COMPARED TO \$857,973 THAT REPRESENTS THE AVERAGE OF THE MOST RECENT 5 YEARS OF LOCAL REVENUE SOURCES ALLOCATED AND RECEIVED FOR EXAMPLE COUNTY HIGHWAY PURPOSES, PURSUANT TO TENNESSEE CODE ANNOTATED 67-3-901.

NAME, COUNTY MAYOR

NAME, HWY CHIEF ADMIN OFF

Basic Formula

Reference Number: CTAS-2097

| | | | |
|--|---|------------------|------------------------|
| Estimated Beginning Fund Balance | + | \$1,000,000 | (A) |
| Estimated Revenue | + | 5,000,000 | (B) |
| Transfer Into the Fund | + | 0 | (C) |
| Total Available Funds | = | 6,000,000 | (A+B+C=D) |
| Estimated Expenditures | - | 5,500,000 | (E) |
| Transfer Out of the Fund | - | 0 | (F) |
| Estimated Ending Fund Balance | = | 500,000 | (D-E-F=G) |
| Effect on Fund Balance (Est Revenues + Transfers In Less Est Exp + Transfers Out) | | (500,000) | ((B+C)-(E+F)=H) |

Assuming 1 penny generates \$50,000
 Assuming \$1 million dollars is the optimal fund balance

$$\$500,000 / \$50,000 = \$0.10$$

desired, divide the effect on fund balance by the value of the penny. This determines the tax increase needed.

Assessment Summary

Reference Number: CTAS-2098

ASSESSMENT SUMMARY EXAMPLE

LOCALLY ASSESSED PROPERTY

REAL PROPERTY

| Classification | Assessment | Parcels |
|----------------------------|------------------------|---------------|
| Local Utility @ 55% | \$0 | 0 |
| Industrial @ 40% | \$93,144,520 | 93 |
| Commercial @ 40% | \$736,885,440 | 3,898 |
| Residential @ 25% | \$2,122,837,325 | 59,473 |
| Homebelt @ 25% | \$321,325 | 5 |
| Farm @ 25% | \$37,192,425 | 395 |
| Agricultural @ 25% | \$89,528,050 | 1,730 |
| Forest @ 25% | \$27,775,400 | 729 |
| Open Space @ 25% | \$0 | 0 |
| Mineral @ 40% | \$2,360 | 2 |
| Total Real Property | \$3,107,686,845 | 66,325 |

TANGIBLE PERSONAL PROPERTY

| Classification | Assessment | Accounts |
|---------------------|---------------|----------|
| Local Utility @ 55% | \$0 | 0 |
| Industrial @ 30% | \$217,487,861 | 60 |
| Commercial @ 30% | \$142,480,374 | 5,838 |
| Residential @ 5% | \$0 | 0 |
| Farm @ 5% | \$0 | 0 |
| Appraisal Ratio | 0.9081 | |

INTANGIBLE PERSONAL PROPERTY

| Classification | Assessment | Accounts |
|-----------------------|----------------------|--------------|
| Commercial @ 40% | \$0 | 0 |
| Total Personal | \$359,968,235 | 5,900 |

STATE ASSESSED PROPERTY

| Classification | Assessment | Accounts |
|---|---------------|----------|
| Public Utilities & Transportation @ 55% | \$130,880,876 | 102 |

ASSESSMENT TOTALS

| | |
|-----------------------------------|------------------------|
| Real Property | \$3,107,686,845 |
| Tangible Personal Property | \$359,968,235 |
| Intangible Personal Property | \$0 |
| Public Utilities & Transportation | \$130,880,876 |
| TOTAL ASSESSED VALUE | \$3,598,535,956 |

Estimating Actual Property Tax Collections

Reference Number: CTAS-2100

Sample Property Tax Collection with a Variance Factor

Previous Year Assessments

| | |
|------------------------------|-----------------|
| Real Property | \$3,027,936,200 |
| Tangible Personal Property | \$395,556,002 |
| Intangible Personal Property | \$0 |

| | |
|-----------------------------------|------------------------|
| Public Utilities & Transportation | \$144,750,000 |
| Total Assessed Value | \$3,568,242,202 |
| Apply Previous Year Tax Rate | \$0.0247 |
| Property Tax Collection at 100% | \$88,135,582 |
| Actual Property Tax Collected | \$83,728,803 |
| Actual Collection Percentage | 95% |

Current Year Assessments

| | |
|--|------------------------|
| Real Property | \$3,107,686,845 |
| Tangible Personal Property | \$359,968,235 |
| Intangible Personal Property | \$0 |
| Public Utilities & Transportation | \$130,880,876 |
| Total Assessed Value | \$3,598,535,956 |
| Apply Current Year Tax Rate | \$0.0247 |
| Property Tax Collection at 100% | \$88,883,838 |
| Apply Historical Collection Percentage | 95% |
| Property Tax Collection Estimate | \$84,439,646 |

Net Penny Calculation

| | |
|--|--------------|
| Property Tax Collection Estimate (Using Historical Collection Percentage) | \$84,439,646 |
| Divide by 100 | \$844,396 |

Determining the Yield of One Cent of the Property Tax Rate

| | |
|--|-----------------|
| Total Assessed Value | \$3,598,535,956 |
| Divide by \$100 | \$35,985,359 |
| Multiply by one cent (\$0.01) | \$359,853 |
| Multiply by historical collection percentage | 95% |
| What one-cent yields from a one cent rate | \$341,860 |

Calculation of Property Tax Estimate

Reference Number: CTAS-2115

To calculate the property tax, first determine what has been the percent applicable to the collections of property taxes for the last three years. Usually this rate will be 85 to 95 percent. Then follow the steps below.

| | |
|--|----|
| Total property assessments | \$ |
| Divide by \$100* | |
| Multiply by property tax rate | |
| Equals 100 percent collections | |
| Multiply by ___ percent of collections** | |
| Net property taxes estimate | \$ |

NOTE:

*Property tax rate is a rate per \$100 of assessed value.

** Each county will have a variance factor, thus a different rate of collection; it is generally based on the last three years' average.

Determining Yield of One-Cent Property Tax Rate.

Since many decisions must be made concerning the increase in the property tax rate, local governments use what a one-cent rate will yield in revenues. Use the following calculation to determine your local government's one-cent yield.

| | |
|--|----|
| Total property assessments | \$ |
| Divide by \$100* | |
| Multiply by one cent | |
| Multiply by _____ percent of collections | |
| What one cent yields from a one-cent rate*** | \$ |

NOTE:

***In most counties, this will range from \$5,000 to \$100,000.

Fund Balance Policy Example

Reference Number: CTAS-2110

Sample County, Tennessee Fund Balance Policy

Purpose

The County hereby establishes and will maintain reservations of fund balance as defined herein in accordance with Governmental Accounting Standards Board Statement No. 54 Fund Balance Reporting and Governmental Fund Type Definitions and with regards to guidance from the Government Finance Officers Association (GFOA) GAAFR. This Policy shall apply to the County’s General Fund and General Debt Service Fund. Governmental fund balance may be composed of restricted, committed, assigned, non-spendable and unassigned amounts per GASB Statement 54.

Minimum Level of Unassigned Fund Balance – General Fund

The General Fund unassigned fund balance will be maintained at a level sufficient to provide for the required resources to meet operating cost needs, to allow for unforeseen needs of an emergency nature, and to permit orderly adjustment to changes resulting from fluctuations of revenue sources. Given that current property tax collections do not begin until the fourth month of the fiscal year, Sample County will maintain at least Fifteen Percent (15.0%) of the next year’s budget in the unassigned fund balance of the General Fund.

Any amounts remaining in the fiscal year-end unassigned fund balance in excess of Fifteen (15.0%) of the approved subsequent year’s budget will be available for appropriation by the County Commission to cover such items as revenue shortfalls and unanticipated expenditures, and to ensure stable tax rates. The County Commission will attempt whenever possible to avoid appropriating such funding for recurring expenses.

Minimum Level of Fund Balance – General Debt Service Fund

It is the practice of the County to pay the principal and interest requirements on the County’s debt obligations from the Debt Service Fund. Each year the budget committee of the County shall determine or estimate the principal and interest requirements of the County and recommend sources of revenues to meet these actual or projected requirements. Additionally, it shall be the policy of the County to begin each fiscal year with a balance of cash or investments in the Debt Service Fund in a conservatively calculated amount adequate to meet (1) cash flow needs, (2) budgeting contingencies, (3) emergency contingencies, (4) variable rate volatility contingencies plus (5) future forecasted needs.

Cash flow Requirement Component: The majority of local County revenues come from property taxes. Property taxes levied for a specific fiscal year are generally collected in the second half of that fiscal year. For this reason, it is common for the County to expend more than it collects during the first half of the fiscal year. For this reason, it shall be the policy of the County to begin each fiscal year with a sum of cash or investments equal to the debt service fund requirements scheduled to be expended during the first six months of the next fiscal year. This amount will typically equal six months of interest expense on the County’s total indebtedness unless the County schedules principal payments in the first six months of the fiscal year. Generally, except for short-term capital outlay notes, the County will not schedule principal payments in the first six months of the fiscal year.

Annual Review and Determination of Fund Balance Reserve Amounts

Compliance with the provisions of this policy shall be reviewed as a part of the annual budget adoption process and amounts of restricted, committed, assigned, non-spendable, the minimum level of unassigned fund balance in the General Fund and the minimum level of fund balance in the Debt Service Fund shall be determined during this process.

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