



April 29, 2025

Budget System

Dear Reader:

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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,

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Budget System 3
Private Acts of 1941 Chapter 375 3

Budget System

Private Acts of 1941 Chapter 375

SECTION 1.

- (a) The term "County Judge or Chairman" when used in this Act shall mean the County Judge or Chairman of Overton County, Tennessee.
- (b) The term "County Court Clerk," when used in this Act, shall mean the County Court Clerk of Overton County, Tennessee.
- (c) The term "Sheriff" when used in this Act shall mean the Sheriff of Overton County, Tennessee.
- (d) The term "Trustee" when used in this Act shall mean the Trustee of Overton County, Tennessee.
- (e) The term "Circuit Court Clerk" when used in this Act shall mean the Circuit Court Clerk of Overton County, Tennessee.
- (f) The term "Register of Deeds" when used in this Act shall mean the Register of Deeds of Overton County, Tennessee.
- (g) The term "Commissioner" when used in this Act shall mean any superintendent or person or persons appointed or elected by the Quarterly County Court over any Department or Institution of Overton County.
- (h) The term "Tax Assessor" when used in this Act shall mean the Tax Assessor of Overton County, Tennessee.
- (i) The term "Quarterly County Court" when used in this Act shall mean anybody or group of people having jurisdiction over the operation of the fiscal affairs of Overton County, Tennessee.
- (j) The term "Clerk and Master" when used in this Act shall mean the Clerk of the Chancery Court of Overton County, Tennessee.
- (k) The term "County Superintendent" when used in this Act shall mean the County Superintendent of Schools of Overton County, Tennessee.
- (l) The term "School Board" when used in this Act shall mean the County Board of Education of Overton County, Tennessee.
- (m) The term "Highway Commission or Commissioner" when used in this Act shall mean the Highway Department of Overton County, Tennessee.
- (n) The term "Budget" when used in this Act shall mean the appropriation of money appropriated by Court for each Department or activity of Overton County for the period shown by the adoption of the Budget by the Quarterly County Court and any appropriation authorized by statute.
- (o) The term "Official of the County" when used in this Act shall mean any official authorized by the Quarterly County Court or the Statutes of the State of Tennessee to draw from the County Treasury and expend money of Overton County, Tennessee, as hereinafter provided.
- (p) The term "Budget Committee" when used in this Act shall mean a committee of three (3) members so elected by majority vote of the Quarterly County Court of Overton County, one of which shall be a member of said Court, as hereinafter provided.
- (q) The term "Expenditure or Expend" when used in this Act shall mean the act of committing Overton County, Tennessee, to expend monies then and there in the County Treasury or to come into the County Treasury of Overton County, Tennessee.

SECTION 2. That at least thirty (30) days prior to the time when the annual tax levy or any part thereof is made, the Budget Committee of Overton County, Tennessee, shall prepare a budget containing a complete plan, itemized and classified according to function and activity of all proposed expenditures and all estimated revenues by sources and borrowings for the County for the ensuing appropriation year, which shall begin on the first day of July of each year. Opposite such item of proposed expenditure, the budget shall show in separate parallel columns the amount appropriated for the preceding appropriation year, the amount expended during that year, the amount appropriated for the current appropriation year, and the increase or decrease in the proposed expenditures for the ensuing year as compared with the appropriation for the current year. This budget shall be accompanied by:

First: An itemized estimate of the receipts to be available during the current fiscal year, but such itemized estimate shall be subject to the following provisions:

(a) Such estimate of delinquent taxes shall not exceed an amount which represents the percentage of the amount of taxes delinquent on the first day of the current fiscal year which were actually collected in cash during such preceding fiscal year.

(b) Such estimate of collections of special assessments shall not exceed an amount which represents the same percentage of the special assessments unpaid and owing to said County on the first day of the current fiscal year, as the percentage of special assessments unpaid and owing to said County on the first day of the preceding fiscal year where they were actually collected in cash during the preceding fiscal year.

(c) Such estimate of collections of miscellaneous revenues from sources other than taxes or special assessments shall in no instance, nor as to any item, be in an amount in excess of the amount of such miscellaneous revenues collected in cash in the preceding fiscal year; provided, however, that there may be included in the estimate cash receipts for such amount of additional miscellaneous revenues to be derived from sources other than ad valorem taxes or special assessments as may be approved by the Director of the Budget.

(d) The amount of cash surplus being an amount not larger than the amount of cash on hand or on deposit to the credit of the several funds of said County at the close of the preceding fiscal year, exclusive, however, of any cash derived from prepaid taxes or other sources applicable to the budget of the succeeding fiscal year to the extent that such cash is in excess of all outstanding or unpaid bills or other obligations lawfully incurred during such fiscal year, and all amounts payable therefrom to all special funds of the County. Second: An itemized and complete financial balance sheet of each fund account of said Overton County, Tennessee, at the close of the last preceding appropriation year.

SECTION 3. That a brief synopsis of the budget shall be published in a newspaper having general circulation in Overton County, Tennessee, or by notice posted in the lobby of the Court House in one or more conspicuous places, and notice given of one or more public hearings at least fifteen (15) days prior to the date set for hearing, at which any citizens of the said Overton County shall have the right to attend and state their views thereon. After such hearing is had, the Budget Committee shall submit to the Quarterly County Court, with recommendation for adoption, such budget as may be agreed upon. However, it shall not be mandatory upon the Quarterly County Court to adopt the budget recommended by the Budget Committee, but the Quarterly County Court shall by appropriate order adopt and enter on the minutes thereof a budget covering all expenditures for the County for next appropriation year, itemized and classified as required by Section 2 of this Act; provided, however, that it shall be mandatory upon the Quarterly County Court to adopt a budget for the ensuing fiscal year, and the revenues applicable to such budget so adopted shall be in conformity to the requirements of the provisions of Section 2 hereof.

SECTION 4. That the Budget Committee or Director of the Budget of Overton County, Tennessee, may require the heads or other responsible representatives of all departments, divisions, boards, commissions, agencies, or offices of said County as more specifically named in Section 1 hereof to furnish such information as may be deemed advisable and in such form as may be required in relation to their respective affairs and activities.

SECTION 5. That it shall be, likewise, the duty of the School Board of said County, on or before the first Monday in April of each year, to prepare and file with the Budget Committee an itemized statement or budget, as specified in Section 2 of this Act, of the funds which said Board estimates will be necessary for the maintenance and operation of the schools and expenses incident thereto for the year commencing the first day of July following the filing of such statement or budget.

SECTION 6. That it shall be distinctly understood that it shall likewise be the duty of the Highway Department and/or Highway Commission of said County, at least thirty (30) days prior to the beginning of the fiscal year in each year to prepare and file with the Budget Committee an itemized statement or budget, as specified in Section 2 of this Act, of the funds which said Department or Commission estimates will be necessary for the maintenance and operation of the roads in said County and expenses incident thereto for the year commencing the first day of July following the filing of such statement or budget.

SECTION 7. That the Quarterly County Court shall, at any regular, adjourned or specially called session of such Court, and at the expiration of each second calendar year thereafter (second calendar year thereafter shall mean the time nearest to a regular session of the Quarterly County Court), elect a Budget Committee consisting of three (3) members, one of which must be a member of the Quarterly County Court, and the other two members to be such persons so designated and elected pursuant to a majority vote of the then existing members of the Quarterly County Court; the Budget Committee so elected shall receive as compensation for their services a fee of Three (\$3.00) Dollars for each and every day spent in the preparation of the budget heretofore mentioned; provided, however, that the total compensation of

each member of the Committee shall not in any one appropriation year exceed the sum of Forty-eight (\$48.00) Dollars.

Likewise, it shall be the duty of the Quarterly County Court, at the time of naming the Budget Committee, to appoint a person who shall be known as "Director of the Budget," which such person may be the Judge or Chairman of the Quarterly County Court, if so appointed upon a majority vote of the then existing members of the Quarterly County Court, or otherwise, may be a person not being a member of the Quarterly County Court, but must be, however, a taxpayer within said County.

SECTION 8. That pursuant to the election of the Budget Committee as provided under Section 7 hereof, and pursuant to the adoption of a budget recommended by said Committee, or otherwise, the budget so adopted and approved by the Quarterly County Court, the completed budget, after approval as afore provided for, shall be delivered to the Director of the Budget, which said Director shall be charged with the responsibility of seeing to the proper application and/or the expenditures made therefrom.

Thereupon during the ensuing fiscal year no member of the Quarterly County Court, or the Budget Committee, or other departmental head or representative of said County shall have the right to expend or to authorize the expenditure of any money in the County Treasury or any appropriations other than those set forth in the adopted budget; and provided, further, that the expenditures can be made against the budget so adopted only upon the following conditions:

(a) That any departmental head of Overton County may authorize the expenditure of money provided appropriation has been made for such expenditure, and, at the time the expenditure is authorized, that a requisition has been properly executed by the Director of the Budget.

(b) That the Director of the Budget is hereby restricted from executing any requisition order or authorizing the expenditure of any money from the County Treasury, unless such appropriation has been made therefor in the budget so adopted by the Quarterly County Court for the given year in which any expenditure is requested; and, provided further, that such expenditure can then be authorized only provided a sufficient balance remains to the credit of the department for which expenditure has been requested. It shall be the duty of the Director of the Budget, however, to approve expenditures requested by any of the departmental heads so long as same conform to the requirements of this section.

SECTION 9. That any official of Overton County having the power, right, or authority to expend County funds from the Treasury of the County, or funds coming into the County treasury from the State of Tennessee 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 the County government, or in excess of the budget adopted by the Quarterly County Court of Overton County covering that certain period of time as shown by the budget, such County official making any overdrafts on the County Treasury or commitments in excess of the amount appropriated for the specific purpose for which the expenditure was made by the Quarterly County Court of Overton County, shall be personally liable, together with his sureties on his official bond, to Overton County for such overdrafts or over expenditures, and the County shall have cause of action of debt to recover from such official or officials and their bondsmen the amount of the overdraft or over expenditure with interest from date.

SECTION 10. That it shall be unlawful and a misdemeanor in office for any official or employee, including the Director of the Budget of Overton County, Tennessee, to draw, sign, issue, deliver, or to authorize the drawing, signing, issuance, or delivery of any purchase order, warrant, or other commitment during the appropriation year when such warrant, purchase order or other commitment, added to amounts previously expended shall exceed the appropriation made by the Quarterly County Court for the specific purpose for which the expenditure is made. That it shall be mandatory upon the members of the Quarterly County Court to determine whether or not warrants, purchase orders, or other commitments have been issued or made in violation of the intent of this Act, and if warrants, purchase orders, or other commitments are found to have been issued in violation of the intent of this Act, it shall be mandatory upon the Court or its qualified representative 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 said Grand Jury and to institute such other proceedings as may be necessary to give full effect to the provisions of this Act.

SECTION 11. That it shall be a misdemeanor in office for any official of Overton County, including the members of the School Board, the County Superintendent, the County Judge, the County Court Clerk, the Circuit Court Clerk, the Sheriff, the Trustee, the Register of Deeds, the Clerk and Master, the Tax Assessor, or any other official of the County, including the Highway Department, to violate any provision of this Act, to fail or to refuse to perform any of the duties placed upon them, or any of them, by this Act, and any such officer or official failing to perform the duties imposed by this Act, or otherwise violating this Act, or who procures, aids or abets in the violation of any provision of this Act, shall upon conviction

thereof be subject to a fine of not less than \$100.00, nor more than \$500.00, by imprisonment, for a period of not exceeding one year, or both, in the discretion of the Court; provided, further, that any County official convicted under this Act shall be subject to removal from office under the ouster laws of the State of Tennessee, and it shall be mandatory upon the Quarterly County Court to appropriate the necessary funds for the prosecution of such cause.

SECTION 12. That the purpose of this Act is to place and maintain the fiscal affairs of Overton County, Tennessee, on a cash basis, and the provisions of this Act shall constitute an irrepealable contract and shall become effective not later than July 8, 1941.

SECTION 13. That authority and power is hereby granted to Overton County, Tennessee, to make special tax levies for any purpose, irrespective of any laws or parts thereof heretofore passed in conflict herewith, in order to carry out the provisions of this Act, and to make any special pledges necessary in connection therewith by and through action of the Quarterly County Court of said County.

SECTION 14. That the holding of any section or part thereof, or any subsection, clause, sentence, 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 or clause or 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 15. That all laws or parts of laws in conflict with the provisions of this Act be and the same are hereby repealed, and this Act shall take effect from and after its passage, the public welfare requiring it.

Passed: February 11, 1941.

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