

**ORDINANCE 26-05**  
**AN ORDINANCE OF THE TOWN OF OAKLAND, TENNESSEE**  
**ADOPTING THE ANNUAL BUDGET AND TAX RATE FOR THE**  
**FISCAL YEAR BEGINNING JULY 1, 2026, AND ENDING JUNE 30, 2027**

WHEREAS. Tenn, Code Ann. § 9-1-116 requires that all funds of the State of Tennessee and all its political subdivisions shall first be appropriated before being expended and that only funds that are available shall be appropriated; and

WHEREAS. the Municipal Budget Law of 1982 requires that the governing body of each municipality adopt and operate under an annual budget ordinance presenting a financial plan with at least the information required by that state statute, that no municipality may expend any moneys regardless of the source except in accordance with a budget ordinance and that the governing body shall not make any appropriation in excess of estimated available funds; and

WHEREAS. the Governing Body has published the annual operating budget and budgetary comparisons of the proposed budget with the prior year (actual) and the current year (estimated) in a newspaper of general circulation not less than ten (10) days prior to the meeting where the Board will consider final passage of the budget.

**NOW THEREFORE BE IT ORDAINED BY THE BOARD OF MAYOR AND ALDERMAN OF THE TOWN OF OAKLAND, TENNESSEE AS FOLLOWS:**

SECTION 1: That the governing body projects anticipated revenues from all sources and appropriates planned expenditures for each department, board, office or other agency of the municipality, herein presented together with the actual annual receipts and expenditures of the last preceding fiscal year and the estimated annual expenditures for the current fiscal year, and from those revenues and unexpended and unencumbered funds as follows for fiscal year 2026, and including the projected ending balances for the budget year, the actual ending balances for the most recent ended fiscal year and the estimated ending balances for the current fiscal years:

<b>General Fund</b>	<b>Actual FY 2025</b>	<b>Estimated FY 2026</b>	<b>Budgeted FY 2027</b>
<b>Cash Receipts</b>			
Local Taxes	\$5,525,507	\$6,370,584	\$6,551,243
Licenses & Permits	\$569,008	\$512,688	\$583,000
Intergovernmental	\$2,440,420	\$2,665,937	\$2,759,700
Charges & Services	\$25,571	\$135,102	\$135,200
Fines, Forfeitures	\$879,964	\$660,153	\$782,469
Other Revenue	\$687,218	\$446,660	\$599,630
Transfers In and Other Financing Sources	\$0	\$2,500,000	\$400,000
Future Fire Fee Reserves	\$0	\$0	\$450,000
<b>Total Cash Receipts</b>	<b>\$10,127,688</b>	<b>\$13,291,124</b>	<b>\$12,261,242</b>
<b>Appropriations</b>			
Legislative	\$33,500	\$32,600	\$31,200
Administration	\$1,526,264	\$1,507,516	\$1,561,099
Planning	\$243,475	\$319,090	\$266,125
Building Codes	\$299,318	\$378,987	\$429,773
Police	\$2,866,124	\$3,293,446	\$3,418,784
Fire	\$1,780,152	\$1,956,304	\$2,626,445
Public Works	\$1,103,144	\$1,902,930	\$2,894,073
Parks and Recreation	\$2,174,758	\$4,975,283	\$1,099,763
	\$0	\$0	\$0
	\$0	\$0	\$0
	\$0	\$0	\$0
	\$0	\$0	\$0
	\$0	\$0	\$0
<b>Total Appropriations</b>	<b>\$10,026,735</b>	<b>\$14,366,156</b>	<b>\$12,327,262</b>
<b>Change in Fund Balance</b>	<b>\$100,953</b>	<b>(\$1,075,032)</b>	<b>(\$66,020)</b>
<b>Beginning Fund Balance July 1</b>	<b>\$10,191,283</b>	<b>\$10,292,236</b>	<b>\$9,217,204</b>
<b>Ending Fund Balance June 30</b>	<b>\$10,292,236</b>	<b>\$9,217,204</b>	<b>\$9,151,184</b>
<b>Ending Fund Balance as % of Total Approx.</b>	<b>103%</b>	<b>64%</b>	<b>74%</b>

<b>Debt Service Paid from General Fund</b>			
44000-611 Bond Principal Paid	\$215,000	\$221,000	\$226,000
49430-610 Bond Principal Paid	\$160,000	\$163,000	\$166,000
44000-641 Bond Interest Paid	\$106,618	\$105,787	\$104,811
49430-640 Bond Interest Paid	\$7,444	\$4,505	\$1,511
<b>Total Annual Debt Service Payments</b>	<b>\$489,062</b>	<b>\$494,291</b>	<b>\$498,322</b>

<b>Drug Fund</b>	<b>Actual FY 2025</b>	<b>Estimated FY 2026</b>	<b>Budgeted FY 2027</b>
<b>Cash Receipts</b>			
Fines and Forfeitures	\$4,858	\$6,438	\$4,500
Sale of Capital Assets	\$11,791	\$0	\$0
Interest	\$10,965	\$7,189	\$3,000
Total Revenue	\$27,614	\$13,627	\$7,500
<b>Appropriations</b>			
Drug Enforcement Incl vehicles	\$99,790	\$121,562	\$17,000
Debt Service	\$0	\$0	\$0
Total Appropriations	\$99,790	\$121,562	\$17,000
Change in Fund Balance	(\$72,176)	(\$107,935)	(\$9,500)
Beginning Fund Balance July 1	\$272,459	\$200,283	\$92,348
Ending Fund Balance June 30	\$200,283	\$92,348	\$82,848
Ending Fund Balance as % of Total Approx.	201%	76%	487%

<b>Street Aid Fund</b>	<b>Actual FY 2025</b>	<b>Estimated FY 2026</b>	<b>Budgeted FY 2027</b>
<b>Cash Receipts</b>			
State Gas and Motor Fuel Tax	\$313,411	\$373,778	\$372,800
Interest & other Revenue	\$49,205	\$13,058	\$15,650
Total Revenue	\$362,616	\$386,836	\$388,450
<b>Appropriations</b>			
Street Aid Fund	\$56,329	\$98,053	\$119,000
Debt Service	\$170,313	\$165,939	\$167,511
Total Appropriations	\$226,642	\$263,992	\$286,511
Change in Fund Balance	\$135,974	\$122,844	\$101,939
Beginning Fund Balance July 1	\$263,172	\$399,146	\$521,990
Ending Fund Balance June 30	\$399,146	\$521,990	\$623,929
Ending Fund Balance as % of Total Approx.	176%	198%	218%

<b>Debt Service Paid from Street Aid Fund</b>			
43100-610 Bond Principal Paid	\$160,000	\$160,000	\$163,000
43100-640 Bond Interest Paid	\$10,334	\$7,439	\$4,505
<b>Total Annual Debt Service Payments</b>	<b>\$170,334</b>	<b>\$167,439</b>	<b>\$167,505</b>

<b>Solid Waste Fund</b>	<b>Actual FY 2025</b>	<b>Estimated FY 2026</b>	<b>Budgeted FY 2027</b>
<b>Cash Receipts</b>			
Solid Waste Disposal Fees	\$1,606,466	\$1,639,550	\$1,595,159
Service Charges and Other Revenue	\$23,750	\$26,664	\$13,500
Other Income	\$0	\$0	\$0
Uncollectible Accounts	\$0	\$0	\$0
Interest	\$31,764	\$30,322	\$20,000
Non-Operating Rev. (Bad Debt Recovery)	\$0	\$0	\$0
Depreciation Added Back In	\$0	\$0	\$0
<b>Total Revenue</b>	<b>\$1,661,980</b>	<b>\$1,696,536</b>	<b>\$1,628,659</b>
<b>Appropriations</b>			
Contractual Services	\$1,544,476	\$1,529,971	\$1,566,220
Other Services	\$243	\$23,150	\$0
Debt Service	\$0	\$0	\$0
<b>Total Appropriations</b>	<b>\$1,544,719</b>	<b>\$1,553,121</b>	<b>\$1,566,220</b>
<b>Change in Fund Balance</b>	<b>\$117,261</b>	<b>\$143,415</b>	<b>\$62,439</b>
<b>Beginning Fund Balance July 1</b>	<b>\$769,829</b>	<b>\$887,090</b>	<b>\$1,030,505</b>
<b>Ending Fund Balance June 30</b>	<b>\$887,090</b>	<b>\$1,030,505</b>	<b>\$1,092,944</b>
<b>Ending Fund Balance as % of Total Approx.</b>	<b>57%</b>	<b>66%</b>	<b>70%</b>

<b>Water Fund</b>	<b>Actual FY 2025</b>	<b>Estimated FY 2026</b>	<b>Budgeted FY 2027</b>
<b>Cash Receipts</b>			
Water Sales and Services	\$2,803,782	\$2,905,714	<b>\$2,469,232</b>
Tap Fees	\$600,429	\$449,224	<b>\$275,500</b>
Non-Operating Revenue	\$518,721	\$300,638	<b>\$251,000</b>
Use of Reserves	\$0	\$0	\$3,000,000
Depreciation Added Back In	\$941,860	\$941,860	\$941,860
Total Revenue	\$4,864,792	\$4,597,436	\$6,937,592
<b>Appropriations</b>			
Water Department	\$644,960	\$718,953	\$769,105
Capital Purchases	\$245,132	\$295,000	\$3,280,000
Debt Service	\$42,624	\$42,180	\$42,120
Other Non-Operating Expenses	\$782,969	\$805,345	\$932,310
Total Appropriations	\$1,715,685	\$1,861,478	\$5,023,535
Change in Fund Balance	\$3,149,107	\$2,735,958	\$1,914,057
Beginning Fund Balance July 1	\$30,807,895	\$20,671,331	\$23,407,289
Ending Fund Balance June 30	\$20,671,331	\$23,407,289	\$25,321,346
Ending Fund Balance as % of Total Approx.	1205%	1257%	504%

<b>Statutory Change in Net Position Reconciliation:</b>			
<b>Change in Net Position</b>	\$3,149,107	\$2,735,958	\$1,914,057
<b>Subtract:</b>			
Capital Contributions - Tap Fees in Excess of Cost	\$0	\$0	\$0
Capital Contributions - Grants	\$0	\$0	\$0
Capital Contributions - Other	\$0	\$0	\$0
Grants - Operating	\$0	\$0	\$0
Transfers In - from Other Funds	\$0	\$0	\$0
Total amount subtracted for statutory change	\$0	\$0	\$0
<b>Statutory Change in Net Position*</b>	\$3,149,107	\$2,735,958	\$1,914,057

<b>Debt Service Paid from Water Fund</b>			
Bond Principal Paid	\$36,720	\$36,720	\$36,720
Bond Interest Paid	\$5,904	\$5,460	\$5,400
<b>Total Annual Debt Service Payments</b>	<b>\$42,624</b>	<b>\$42,180</b>	<b>\$42,120</b>

<b>Sewer Fund</b>	<b>Actual FY 2025</b>	<b>Estimated FY 2026</b>	<b>Budgeted FY 2027</b>
<b>Cash Receipts</b>			
Sewer Fees	\$1,787,002	\$3,670,786	\$4,221,730
Tap Fees	\$681,725	\$631,886	\$681,200
Other Revenue	\$0	\$0	\$0
Interest & Non-Operating Revenue	\$845,887	\$765,897	\$565,487
Contributions and Transfers	\$0	\$0	\$0
Depreciation Added Back In	\$826,680	\$826,680	\$1,452,663
Total Revenue	\$4,141,294	\$5,895,249	\$6,921,080
<b>Appropriations</b>			
Sewer Department	\$649,895	\$706,622	\$812,788
Capital Purchases	\$36,308	\$230,000	\$190,000
Debt Service	\$1,458,367	\$2,296,932	\$2,292,840
Other Non-Operating Expenses	\$543,339	\$565,126	\$700,238
Total Appropriations	\$2,687,909	\$3,798,680	\$3,995,866
Change in Fund Balance	\$1,453,385	\$2,096,569	\$2,925,214
Beginning Fund Balance July 1	\$28,637,515	\$30,090,900	\$32,187,469
Ending Fund Balance June 30	\$30,090,900	\$32,187,469	\$35,112,683
Ending Fund Balance as % of Total Approx.	1119%	847%	879%

<b>Statutory Change in Net Position Reconciliation:</b>			
<b>Change in Net Position</b>	\$1,453,385	\$2,096,569	\$2,925,214
<u>Subtract:</u>			
Capital Contributions - Grants	\$0	\$0	\$2,228,465
Bond Anticipation Note	\$304,750	\$1,504,087	\$2,296,932
Grants - Operating	\$0	\$0	\$0
Transfers In - from Other Funds	\$0	\$0	\$0
Total amount subtracted for statutory change	\$304,750	\$1,504,087	\$4,525,397
<b>Statutory Change in Net Postion*</b>	\$1,148,635	\$592,482	(\$1,600,183)

<b>Debt Service Paid from Sewer Fund</b>			
Bond Principal Paid	\$12,816	\$45,452	\$47,208
Bond Interest Paid	\$636	\$12,690	\$11,891
Bond Principal Paid-900k	\$126,000	\$129,000	\$131,000
Bond Interest Paid	\$11,662	\$9,151	\$6,590
Bond Principal Paid-18 mil	\$569,000	\$595,000	\$622,000
Bond Interest Paid	\$140,370	\$909,789	\$877,478
Bond Principal Paid-7 mil	\$155,000	\$202,000	\$215,000
Bond Interest Paid	\$442,883	\$393,850	\$381,673
<b>Total Annual Debt Service Payments</b>	<b>\$1,458,367</b>	<b>\$2,296,932</b>	<b>\$2,292,840</b>

SECTION 2: At the end of the fiscal year 2027, the governing body estimates fund balances or deficits as follows:

<b>Fund</b>	<b>Estimated Fund Balance at June 30, 2027</b>
General Fund	\$9,151,184
Street Aid Fund	\$623,929
Drug Fund	\$82,848
Solid Waste Fund	\$1,092,944
Water Fund	\$25,321,346
Sewer Fund	\$35,112,683

SECTION 3: That the governing body herein certifies that the condition of its sinking funds, if applicable, are compliant pursuant to its bond covenants, and recognizes that the municipality has outstanding bonded and other indebtedness as follows:

<b>Bonded or other Indebtedness</b>	<b>FUND</b>	<b>Debt Authorized and Issued</b>	<b>Principal Outstanding at June 30, 2026</b>	<b>FY27 Principal Payment</b>	<b>FY27 Interest Payment</b>
TMBF Park Project	General Fund	\$5,200,000.00	\$4,570,000.00	\$221,000.00	\$110,137.00
Street Paving	General Fund	\$800,000.00	\$329,000.00	\$163,000.00	\$4,504.50
DG5 16-179	Water	\$751,780.00	\$472,311.75	\$36,720.00	\$5,100.00
SRF 2016-369	Sewer Fund	\$1,001,243.00	\$776,252.00	\$46,452.00	\$12,084.00
Infrastr 18 mil Sewer	Sewer Fund	\$18,000,000.00	\$17,431,000.00	\$595,000.00	\$909,788.85
Infrasr 7 mil Sewer	Sewer Fund	\$7,000,000.00	\$6,845,000.00	\$202,000.00	\$393,849.60
Sewer 23101	Sewer Fund	\$900,000.00	\$529,000.00	\$129,000.00	\$9,150.65

SECTION 4: During the coming fiscal year (2027) the governing body has pending and planned capital projects with proposed funding as follows:

Pending Capital Projects	Pending Capital Projects Estimated Total Expense	Financed by Revenues and/or Reserves	Financed by Grant Proceeds	Financed by Debt Proceeds
Police Vehicles (4)	\$50,000	\$50,000	\$0	\$0
2021 TDOT Multimodal Access Grant-Sidewalks	\$1,195,581	\$119,558	\$1,076,023	\$0
2022 TDOT Multimodal Access Grant- Signal	\$210,541	\$21,054	\$189,487	\$0
	\$0	\$0	\$0	\$0
Water Meter AMI Project	\$3,000,000	\$3,000,000	\$0	\$0
Infrastructure Sewer Project	\$0	\$0	\$0	\$0

SECTION 5: No appropriation listed above may be exceeded without an amendment of the budget ordinance as required by the Municipal Budget Law of 1982 (Tenn. Code Ann. § 6-56-208). In addition, no appropriation may be made in excess of available funds except to provide for an actual emergency threatening the health, property or lives of the inhabitants of the municipality and declared by a two-thirds (2/3) vote of at least a quorum of the governing body in accord with Tenn. Code Ann. § 6-56-205.

SECTION 6: Money may be transferred from one appropriation to another in the same fund in an amount of up to \$2,000 by the mayor, subject to such limitations and procedures as set by the Governing Body pursuant to Tenn. Code Ann. § 6-56-209. Any resulting transfers shall be reported to the governing body at its next regular meeting and entered into the minutes.

SECTION 7: A detailed financial plan will be attached to this budget and become part of this budget ordinance.

SECTION 8: There is hereby levied a property tax of \$0.6342 per \$100 of assessed value on all real and personal property.

SECTION 9: This annual operating and capital budget ordinance and supporting documents shall be submitted to the Comptroller of the Treasury or Comptroller’s Designee for approval pursuant to Title 9, Chapter 21 of the Tennessee Code Annotated within fifteen (15) days of its adoption. If the Comptroller of the Treasury or Comptroller’s Designee determines that the budget does not comply with the Statutes, the Governing Body shall adjust its estimates or make additional tax

levies sufficient to comply with the Statutes or as directed by the Comptroller of the Treasury or Comptroller's Designee.

SECTION 10: All unencumbered balances of appropriations remaining at the end of the fiscal year shall lapse and revert to the respective fund balances.

SECTION 11: All ordinances or parts of ordinances in conflict with any provision of this ordinance are hereby repealed.

SECTION 12: This ordinance shall take effect July 1, 2027, the public welfare requiring it.

Passed 1<sup>st</sup> Reading: \_\_\_\_\_

Passed 2<sup>nd</sup> Reading: \_\_\_\_\_

\_\_\_\_\_  
Adrian Wiggins, Mayor

ATTESTED:

\_\_\_\_\_  
Yvonne Bullard, City Recorder

