ORDINANCE No. 2026-09

AN ORDINANCE OF THE
CITY OF HUMBOLDT, TENNESSEE
ADOPTING THE ANNUAL BUDGET AND TAX RATE
FOR THE FISCAL YEAR BEGINNING JULY 1, 2026 AND ENDING JUNE 30, 2027

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

NOW THEREFORE BE IT ORDAINED BY THE BOARD OF MAYOR AND ALDERMEN OF THE CITY OF HUMBOLDT, 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 presented together with the actual annual receipts and expenditures of the last preceding fiscal year and the estimated annual expenditures for the current fiscal year, and from those revenues and unexpended and unencumbered funds as follows for fiscal year 2027, and including the projected ending balances for the budget year, the actual ending balances for the most rececnt ended fiscal year and the estimated ending balances for the current fiscal years:

GENERAL FUND	**Audited FY 2025**	**Estimated FY 2026**	**Budget FY 2027**
Revenues			
Local Taxes	$ 8,710,045	$ 8,962,971	$ 9,403,233
Licenses and Permits	77,882	95,124	105,072
Intergovernmental	1,721,801	2,924,774	2,842,784
Charges For Services	25,621	21,155	23,225
Fines and Forfeitures	96,553	108,547	106,500
Miscellaneous Other Revenue	673,219	392,949	464,489
Other Financing Sources			
Debt Proceeds	-	-	-
Transfers In - from other funds	-	-	-
Total Revenues and Other Financing Sources	$ 11,305,121	$ 12,505,520	$ 12,945,304
Appropriations			
Expenditures			
Legislative Department	$ 2,383,516	$ 2,518,019	$ 2,706,094
Judicial Department	7,200	7,200	7,200
Mayor's Office	402,968	476,278	425,025
City Hall	168,932	180,740	193,581
Senior Citizens Department	320,117	309,996	303,267
Police Department	2,480,550	2,516,500	2,574,919
Fire Department	1,238,350	1,300,150	2,647,643
Building Inspection	72,271	79,670	178,178
Rabies Control	65,701	74,059	171,780
Airport	214,468	190,966	174,892
City Streets	591,988	653,428	683,250
Cemeteries	96,543	97,994	77,384
City Maintenance Shop	77,741	90,100	90,511
Parks Department	277,617	303,500	347,780
Library	225,653	880,509	248,009

Strawberry & Arts Museum	35,094	38,500	35,950
School System	2,037,867	2,051,113	2,052,433
Inter-Governmental Expense	33,124	34,000	37,000
Industrial Development	299,123	838,602	141,133
Debt Service			
Other Financing Uses			
Transfers Out - to other funds	-	160,000	-
Total Appropriations	$ 11,028,823	$ 12,801,324	$ 13,096,028
Change in Fund Balance (Revenues - Appropriations)	276,298	(295,804)	(150,724)
Beginning Cash Balance July 1	2,441,894	2,718,192	2,422,388
Ending Cash Balance June 30	$ 2,718,192	$ 2,422,388	$ 2,271,663
Ending Fund Balance as a % of Total Appropriations	24.6%	18.9%	17.3%

SOLID WASTE FUND	**Audited FY 2025**	**Estimated FY 2026**	**Budget FY 2027**
Revenues			
Solid Waste Fees	$ 889,235	$ 1,150,815	$ 1,344,000
Miscellaneous Other Revenue	1,384	210	300
Other Financing Sources			
Transfers In - from other funds	-	160,000	-
Total Revenues and Other Financing Sources	$ 890,619	$ 1,311,025	$ 1,344,300
Appropriations			
Solid Waste Department	$ 945,601	$ 1,297,000	$ 1,341,000
Transfers Out - to other funds	-	14,025	-
Total Appropriations	$ 945,601	$ 1,311,025	$ 1,341,000
Change in Fund Balance (Revenues - Appropriations)	(54,982)	0	3,300
Beginning Cash Balance July 1	64,463	9,481	9,481
Ending Cash Balance June 30	$ 9,481	$ 9,481	$ 12,781
Ending Fund Balance as a % of Total Appropriations	1.0%	0.7%	1.0%

STATE STREET AID FUND	**Audited FY 2025**	**Estimated FY 2026**	**Budget FY 2027**
Revenues			
State Gas and Motor Fuel Taxes	$ 275,463	$ 273,919	$ 273,919
Miscellaneous Other Revenue	6,703	4,723	5,000
Other Financing Sources			
Transfers In - from other funds	-	-	-
Total Revenues and Other Financing Sources	$ 282,166	$ 278,642	$ 278,919
Appropriations			
Public Works Department	$ 217,545	$ 408,100	$ 265,300
Transfers Out - to other funds	-	-	-
Total Appropriations	$ 217,545	$ 408,100	$ 265,300
Change in Fund Balance (Revenues - Appropriations)	64,621	(129,458)	13,619
Beginning Cash Balance July 1	156,309	220,930	91,472
Ending Cash Balance June 30	$ 220,930	$ 91,472	$ 105,091
Ending Fund Balance as a % of Total Appropriations	101.6%	22.4%	40%

DRUG FUND	**Audited FY 2025**	**Estimated FY 2026**	**Budget FY 2027**
Revenues			
Fines and Forfeitures	$ 44,090	$ 12,909	$ 12,500
Miscellaneous Other Revenue			
Total Revenues	$ 44,090	$ 12,909	$ 12,500
Appropriations			
Drug Enforcement	$ 41,792	$ 39,500	$ 33,600
Total Appropriations	$ 41,792	$ 39,500	$ 33,600
Change in Fund Balance (Revenues - Appropriations)	2,298	(26,591)	(21,100)

Beginning Fund Balance July 1	54,267	56,565	29,974
Ending Fund Balance June 30	$ 56,565	$ 29,974	$ 8,874
Ending Fund Balance as a % of Total Appropriations	135.3%	75.9%	26.4%

GENERAL PURPOSE SCHOOL	**AUDITED FY 2025**	**ESTIMATED FY 2026**	**BUDGET FY 2027**
REVENUES			
Taxes	$ 1,194,871	$ 1,388,537	$ 1,459,832
License and Permits	$ 345	$ 300	$ 300
Intergovernmental	$ 10,114,221	$ 9,054,819	$ 9,197,183
Other Revenues	$ 465,844	$ 5,723	$ 11,723
Transfers In	$ 2,007,113	$ 2,007,113	$ 2,007,113
Total Revenues and Other Financing Sources	$ 13,782,394	$ 12,456,491	$ 12,676,151
Appropriations			
Instruction	$ 7,196,271	$ 5,676,171	$ 5,922,925
Support Service	$ 4,842,464	$ 4,401,765	$ 4,465,133
Non-Instruction	$ 835,593	$ 2,393,919	$ 2,433,562
Total Appropriations	$ 12,874,328	$ 12,471,855	$ 12,821,620
Change in Fund Balance (Revenues - Appropriations)	908,066	(15,364)	(145,469)
Beginning Fund Balance July 1	4,158,141	5,066,207	5,050,843
Ending Fund Balance June 30	$ 5,066,207	$ 5,050,843	$ 4,905,374
Ending Fund Balance as a % of Total Appropriations	39.4%	40.5%	38.3%

SCHOOL FOOD SERVICE FUND (CAFETERIA)	**AUDITED FY 2025**	**ESTIMATED FY 2026**	**BUDGET FY 2027**
REVENUES			
Intergovernmental	$ 1,315,960.00	$ 1,416,400.00	$ 1,434,901.00
Charges for Services	$ 48,637.00	$ 46,300.00	$ 59,500.00
Other Revenues	$ 3,639.00	$ 3,500.00	$ 3,500.00
Total Revenues and Other Financing Sources	$ 1,368,236	$ 1,466,200	$ 1,497,901
Appropriations			
Food Service	$ 1,689,902	$ 1,466,200	$ 1,497,901
Total Appropriations	$ 1,689,902.00	$ 1,466,200.00	$ 1,497,901.00
Change in Fund Balance (Revenues - Appropriations)	(321,666)	-	-
Beginning Fund Balance July 1	1,226,103	904,437	904,437
Ending Fund Balance June 30	$ 904,437	$ 904,437	$ 904,437
Ending Fund Balance as a % of Total Appropriations	53.5%	61.7%	60.4%

SCHOOL FEDERAL PROJECTS	**AUDITED FY 2025**	**ESTIMATED FY 2026**	**BUDGET FY 2027**
REVENUES			
Intergovernmental	$ 1,948,045	$ 1,163,191	$ 1,109,798
Total Revenues and Other Financing Sources	$ 1,948,045.00	$ 1,163,191.00	$ 1,109,798.05
Appropriations			
Instruction	$ 1,948,045.00	$ 464,801	$ 1,109,798.05
Support		$ 698,390.00	
Total Appropriations	$ 1,948,045	$ 1,163,191	$ 1,109,798
Change in Fund Balance (Revenues - Appropriations)	-	(0)	-
Beginning Fund Balance July 1	-	-	(0)
Ending Fund Balance June 30	$ -	$ (0)	$ (0)
Ending Fund Balance as a % of Total Appropriations	0.0%	0.0%	0.0%

SECTION 2: At the end of the fiscal year 2026, the governing body estimates fund balances or deficits as follows:

Fund	Estimated Fund Balance/ Net Position at June 30, 2027
General	$ 2,422,388
Solid Waste Fund	9,481
State Street Aid Fund	91,472
Drug Fund	29,974
School	$ 5,809,811

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:

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

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 (TCA § 6-56-208). In addition, no appropriation may be made in excess of available fund 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 Tennessee Code Annotated § 6-56-205.

SECTION 6: Money may be transferred from one appropriation to another in the same fund in an amount of up to $5,000 by the Mayor, subject to such limitations and procedures as set by the Board of Mayor and Aldermen pursuant to Tennessee Code Annotated § 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. In addition, the published operating budget and budgetary comparisons shown by fund with beginning and ending fund balances and the number of full-time equivalent employees required by Tennessee Code Annotated § 6-56-206 will be attached.

SECTION 8: There is hereby levied a property tax of $2.025 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 if the City has debt issued pursuant to Title 9, Chapter 21 of the Tennessee Code Annotated within fifteen (15) days of its adoption. This budget shall not become the official budget for the fiscal year until such budget is approved by the Comptroller of the Treasury or Comptroller's Designee in accordance with Title 9, Chapter 21 of the Tennessee Code Annotated (the "Statutes".) 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. If the City does not have such debt outstanding, it will file this annual operating and capital budget ordinance and supporting documents with 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, 2026, the public welfare requiring it.

Passed 1st Reading: _____

Passed 2nd Reading: _____

Mayor

ATTESTED:

City Seal

Treasurer