

**ORDINANCE 1774**

AN ORDINANCE OF THE CITY OF COVINGTON, TENNESSEE  
ADOPTING THE ANNUAL BUDGET AND TAX RATE FOR THE FISCAL YEAR  
BEGINNING JULY 1, 2024 AND ENDING JUNE 30, 2025.

WHEREAS, Tennessee Code Annotated Title 9 Chapter 1 Section 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 the 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 COVINGTON, TENNESSEE AS FOLLOWS:**

SECTION 1: That the governing body estimates anticipated revenues of the municipality from all sources to be as follows for fiscal year 2025:

<b>General Fund</b>	<b>2023 Actual</b>	<b>2024 Estimated</b>	<b>2025 Proposed</b>
Local Taxes	\$ 9,795,614.00	\$ 9,025,000.00	\$ 8,981,300.00
Licenses & Permits	\$ 87,864.00	\$ 60,300.00	\$ 67,200.00
Intergovernmental	\$ 3,165,973.00	\$ 2,866,540.00	\$ 2,330,100.00
Charges for Services	\$ 503,173.00	\$ 441,700.00	\$ 433,540.00
Fines, Forfeits, & Penalty	\$ 158,836.00	\$ 307,000.00	\$ 510,000.00
Other	\$ 1,860,575.00	\$ 437,000.00	\$ 577,000.00
Public Enterprise	\$ 24,203.00	\$ 22,000.00	\$ 17,000.00
Total Revenues	\$ 15,596,238.00	\$ 13,159,540.00	\$ 12,916,140.00
Beginning Fund Balance			
Total Available Funds	\$ 15,596,238.00	\$ 13,159,540.00	\$ 12,916,140.00

<b>State Street</b>	<b>2023 Actual</b>	<b>2024 Estimated</b>	<b>2025 Proposed</b>
Intergovernmental	\$ 352,064.00	\$ 316,000.00	\$ 316,000.00
Total Revenues	\$ 352,064.00	\$ 316,000.00	\$ 316,000.00
Beginning Fund Balance			
Total Available Funds	\$ 352,064.00	\$ 316,000.00	\$ 316,000.00
<b>T C Museum</b>	<b>2023 Actual</b>	<b>2024 Estimated</b>	<b>2025 Proposed</b>
Charges for Services	\$ 11,505.00	\$ 14,500.00	\$ 14,500.00
Other	\$ 197,135.00	\$ 194,600.00	\$ 194,600.00
Total Revenues	\$ 208,640.00	\$ 209,100.00	\$ 209,100.00
Beginning Fund Balance			
Total Available Funds	\$ 208,640.00	\$ 209,100.00	\$ 209,100.00
<b>Community Development</b>	<b>2023 Actual</b>	<b>2024 Estimated</b>	<b>2025 Proposed</b>
Other	\$ -	\$ -	\$ -
Public Enterprise	\$ -	\$ 8,000.00	\$ 8,000.00
Total Revenues	\$ -	\$ 8,000.00	\$ 8,000.00
Beginning Fund Balance			
Total Available Funds	\$ -	\$ 8,000.00	\$ 8,000.00
<b>Solid Waste</b>	<b>2023 Actual</b>	<b>2024 Estimated</b>	<b>2025 Proposed</b>
Charges for Services	\$ 1,715,010.00	\$ 1,750,000.00	\$ 1,930,000.00
Other	\$ 57,727.00	\$ -	\$ -
Public Enterprise	\$ 79,322.00	\$ 35,000.00	\$ 35,000.00
Total Revenues	\$ 1,852,059.00	\$ 1,785,000.00	\$ 1,965,000.00
Beginning Fund Balance			
Total Available Funds	\$ 1,852,059.00	\$ 1,785,000.00	\$ 1,965,000.00
<b>Drug Fund</b>	<b>2023 Actual</b>	<b>2024 Estimated</b>	<b>2025 Proposed</b>
Fines	\$ 12,394.00	\$ 10,000.00	\$ 10,000.00
Other	\$ -	\$ -	\$ -
Total Revenues	\$ 12,394.00	\$ 10,000.00	\$ 10,000.00
Beginning Fund Balance			
Total Available Funds	\$ 12,394.00	\$ 10,000.00	\$ 10,000.00

<b>Water</b>		<b>2023 Actual</b>	<b>2024 Estimated</b>	<b>2025 Proposed</b>
Licenses & Permits	\$	4,656.00	\$ 5,000.00	\$ 5,000.00
Other	\$	200,057.00	\$ 100,000.00	\$ 125,000.00
Public Enterprise	\$	2,212,450.00	\$ 2,367,000.00	\$ 2,367,000.00
Total Revenues	\$	2,417,163.00	\$ 2,472,000.00	\$ 2,497,000.00
Beginning Fund Balance				
Total Available Funds	\$	2,417,163.00	\$ 2,472,000.00	\$ 2,497,000.00
<b>Sewer</b>		<b>2023 Actual</b>	<b>2024 Estimated</b>	<b>2025 Proposed</b>
Intergovernmental	\$	-	\$ -	\$ -
Other	\$	264,393.00	\$ 50,000.00	\$ 75,000.00
Public Enterprise	\$	2,745,327.00	\$ 2,900,000.00	\$ 2,900,000.00
Total Revenues	\$	3,009,720.00	\$ 2,950,000.00	\$ 2,975,000.00
Beginning Fund Balance				
Total Available Funds	\$	3,009,720.00	\$ 2,950,000.00	\$ 2,975,000.00
<b>Gas</b>		<b>2023 Actual</b>	<b>2024 Estimated</b>	<b>2025 Proposed</b>
Licenses & Permits	\$	1,200.00	\$ 1,000.00	\$ 1,000.00
Other	\$	292,994.00	\$ 130,000.00	\$ 150,000.00
Public Enterprise	\$	3,556,832.00	\$ 3,629,000.00	\$ 3,624,000.00
Total Revenues	\$	3,851,026.00	\$ 3,760,000.00	\$ 3,775,000.00
Beginning Fund Balance	\$	-	\$ -	\$ -
Total Available Funds	\$	3,851,026.00	\$ 3,760,000.00	\$ 3,775,000.00
<b>Biomass Gasification</b>		<b>2023 Actual</b>	<b>2024 Estimated</b>	<b>2025 Proposed</b>
Intergovernmental	\$	-	\$ -	\$ -
Other	\$	175,011.00	\$ 175,000.00	\$ 165,000.00
Total Revenues	\$	175,011.00	\$ 175,000.00	\$ 165,000.00
Beginning Fund Balance	\$	-	\$ -	\$ -
Total Available Funds	\$	175,011.00	\$ 175,000.00	\$ 165,000.00
<b>Airport</b>		<b>2023 Actual</b>	<b>2024 Estimated</b>	<b>2025 Proposed</b>
Intergovernmental	\$	103,878.00	\$ 275,000.00	\$ 250,000.00
Other	\$	9,730.00	\$ 50,000.00	\$ 40,000.00
Public Enterprise	\$	630,292.00	\$ 561,550.00	\$ 561,550.00
Total Revenues	\$	743,900.00	\$ 886,550.00	\$ 851,550.00
Beginning Fund Balance	\$	-	\$ -	\$ -
Total Available Funds	\$	743,900.00	\$ 886,550.00	\$ 851,550.00

Cemetery	2023 Actual	2024 Estimated	2025 Proposed
Other	\$ 20,413.00	\$ 11,000.00	\$ 11,000.00
Total Revenues	\$ 20,413.00	\$ 11,000.00	\$ 11,000.00
Beginning Fund Balance	\$ -	\$ -	\$ -
Total Available Funds	\$ 20,413.00	\$ 11,000.00	\$ 11,000.00
	\$ 28,238,628.00	\$ 25,742,190.00	\$ 25,698,790.00

SECTION 2. That the governing body appropriates from these anticipated revenues and Unexpended and unencumbered funds as follows:

General Fund	2023 Actual	2024 Estimated	2025 Proposed
Governmental Administrative	\$ 2,990,852.00	\$ 3,179,850.00	\$ 3,202,770.00
City Court	\$ 12,000.00	\$ 12,000.00	\$ 12,000.00
Recorder-Treasurer	\$ 361,818.00	\$ 374,500.00	\$ 342,800.00
City Attorney	\$ 63,769.00	\$ 56,000.00	\$ 66,000.00
Purchasing	\$ 218,284.00	\$ 204,340.00	\$ 141,450.00
Data Processing	\$ 103,421.00	\$ 89,000.00	\$ 92,000.00
Developmental Services	\$ 265,166.00	\$ 573,100.00	\$ 736,000.00
Grounds Maintenance	\$ 341,416.00	\$ 371,900.00	\$ 386,050.00
City Hall	\$ 37,683.00	\$ 62,300.00	\$ 52,900.00
CCC Building	\$ 141,789.00	\$ 121,600.00	\$ 125,600.00
Police Department	\$ 2,915,132.00	\$ 2,822,200.00	\$ 3,356,700.00
Fire Department	\$ 2,285,616.00	\$ 2,203,200.00	\$ 2,233,730.00
Outside Fire	\$ 129,900.00	\$ 127,675.00	\$ 129,675.00
Civil Defense	\$ 54,292.00	\$ 67,000.00	\$ 72,000.00
Street Department	\$ 349,868.00	\$ 1,765,750.00	\$ 657,200.00
Street Lighting	\$ 16,598.00	\$ 10,300.00	\$ 10,300.00
City Garage	\$ 185,932.00	\$ 184,600.00	\$ 199,100.00
Cemetery Maintenance	\$ -	\$ 2,000.00	\$ 2,000.00
Gis Department	\$ 7,090.00	\$ 9,100.00	\$ 9,100.00
Industrial Department	\$ 2,000.00	\$ 2,000.00	\$ 2,000.00
Rabies and Animal Control	\$ 7,509.00	\$ -	\$ -
Recreation Administration	\$ 87,253.00	\$ 85,800.00	\$ 85,900.00
Recreation Center	\$ 37,303.00	\$ 5,000.00	\$ 5,000.00
Playgrounds	\$ 79,895.00	\$ 77,500.00	\$ 106,000.00
Pool	\$ 133,178.00	\$ 142,300.00	\$ 212,200.00
Sportsplex	\$ 227,005.00	\$ 291,700.00	\$ 230,400.00
Sports/Recreation Programs	\$ 320,269.00	\$ 271,300.00	\$ 266,500.00
Home Program	\$ 5,181.00	\$ -	\$ -
Education	\$ 25,249.00	\$ 25,000.00	\$ 25,000.00

Debt Service	\$ 336,910.00	\$ 17,900.00	\$ 150,913.00
Total Appropriations	\$ 11,742,378.00	\$ 13,154,915.00	\$ 12,911,288.00
Surplus/(Deficit)			
Ending Fund Balance	\$ 11,742,378.00	\$ 13,154,915.00	\$ 12,911,288.00
<b>State Street</b>	<b>2023 Actual</b>	<b>2024 Estimated</b>	<b>2025 Proposed</b>
Highways, Streets, Lighting	\$ 840,167.00	\$ 316,000.00	\$ 316,000.00
Total Appropriations	\$ 840,167.00	\$ 316,000.00	\$ 316,000.00
Surplus/(Deficit)			
Ending Fund Balance	\$ 840,167.00	\$ 316,000.00	\$ 316,000.00
<b>Museum</b>	<b>2023 Actual</b>	<b>2024 Estimated</b>	<b>2025 Proposed</b>
Museum/nature Center	\$ 190,777.00	\$ 201,260.00	\$ 208,650.00
Total Appropriations	\$ 190,777.00	\$ 201,260.00	\$ 208,650.00
Surplus/(Deficit)			
Ending Fund Balance	\$ 190,777.00	\$ 201,260.00	\$ 208,650.00
<b>Community Development</b>	<b>2023 Actual</b>	<b>2024 Estimated</b>	<b>2025 Proposed</b>
Slum/Blighted Areas	\$ -	\$ 8,000.00	\$ 8,000.00
Total Appropriations	\$ -	\$ 8,000.00	\$ 8,000.00
Surplus/(Deficit)	\$ -	\$ -	\$ -
Ending Fund Balance	\$ -	\$ 8,000.00	\$ 8,000.00
<b>Solid Waste Mgmt</b>	<b>2023 Actual</b>	<b>2024 Estimated</b>	<b>2025 Proposed</b>
Solid Waste Mgmt	\$ 2,281,933.00	\$ 1,766,850.00	\$ 1,963,305.00
Debt Service	\$ 10,655.00	\$ -	\$ -
Total Appropriations	\$ 2,292,588.00	\$ 1,766,850.00	\$ 1,963,305.00
Surplus/(Deficit)			
Ending Fund Balance	\$ 2,292,588.00	\$ 1,766,850.00	\$ 1,963,305.00
<b>Drug</b>	<b>2023 Actual</b>	<b>2024 Estimated</b>	<b>2025 Proposed</b>
Drug Investigation	\$ 41,666.00	\$ 9,000.00	\$ 9,000.00
Total Appropriations	\$ 41,666.00	\$ 9,000.00	\$ 9,000.00
Surplus/(Deficit)			
Ending Fund Balance	\$ 41,666.00	\$ 9,000.00	\$ 9,000.00
<b>PBACCT BD Skg</b>	<b>2023 Actual</b>	<b>2024 Estimated</b>	<b>2025 Proposed</b>
Debt Service	\$ 173,893.00	\$ -	\$ -
Total Appropriations	\$ 173,893.00	\$ -	\$ -
Surplus/(Deficit)	\$ -	\$ -	\$ -
Ending Fund Balance	\$ 173,893.00	\$ -	\$ -

<b>Water</b>	2023 Actual	2024 Estimated	2025 Proposed	
	Purification	\$ 572,520.00	\$ 581,900.00	\$ 571,050.00
	Transmission & Distribution	\$ 599,727.00	\$ 554,900.00	\$ 600,700.00
	Water Administration	\$ 968,524.00	\$ 1,098,530.00	\$ 1,171,380.00
	Debt Service	\$ 30,550.00	\$ 89,600.00	\$ 38,650.00
	Total Appropriations	\$ 2,171,321.00	\$ 2,324,930.00	\$ 2,381,780.00
	Surplus/(Deficit)			
Ending Fund Balance	\$ 2,171,321.00	\$ 2,324,930.00	\$ 2,381,780.00	
<b>Sewer</b>	2023 Actual	2024 Estimated	2025 Proposed	
	Collection	\$ 292,919.00	\$ 294,150.00	\$ 280,500.00
	Treatment & Disposal	\$ 1,030,605.00	\$ 930,600.00	\$ 909,100.00
	Sewer Administration	\$ 1,166,606.00	\$ 1,458,550.00	\$ 1,550,100.00
	Debt Service	\$ 80,173.00	\$ 86,450.00	\$ 47,850.00
	Total Appropriations	\$ 2,570,303.00	\$ 2,769,750.00	\$ 2,787,550.00
	Surplus/(Deficit)	\$ -	\$ -	\$ -
Ending Fund Balance	\$ 2,570,303.00	\$ 2,769,750.00	\$ 2,787,550.00	
<b>Gas</b>	2023 Actual	2024 Estimated	2025 Proposed	
	Purchased Gas	\$ 2,359,680.00	\$ 2,493,000.00	\$ 2,493,000.00
	Transmission & Distribution	\$ 353,466.00	\$ 352,700.00	\$ 356,200.00
	Administrative	\$ 901,991.00	\$ 903,400.00	\$ 879,750.00
	Debt Service	\$ 7,461.00	\$ 15,300.00	\$ 5,250.00
	Total Appropriations	\$ 3,622,598.00	\$ 3,764,400.00	\$ 3,734,200.00
	Surplus/(Deficit)			
Ending Fund Balance	\$ 3,622,598.00	\$ 3,764,400.00	\$ 3,734,200.00	
<b>Biomass Gasification</b>	2023 Actual	2024 Estimated	2025 Proposed	
	Gasification	\$ 41,067.00	\$ 36,000.00	\$ 40,000.00
	Debt Service	\$ 56,358.00	\$ 139,000.00	\$ 125,000.00
	Total Appropriations	\$ 97,425.00	\$ 175,000.00	\$ 165,000.00
	Surplus/(Deficit)			
Ending Fund Balance	\$ 97,425.00	\$ 175,000.00	\$ 165,000.00	
<b>Airport</b>	2023 Actual	2024 Estimated	2025 Proposed	
	Airport Expenses	\$ 787,467.00	\$ 870,400.00	\$ 849,200.00
	Debt Service			
	Total Appropriations	\$ 787,467.00	\$ 870,400.00	\$ 849,200.00
	Surplus/(Deficit)			
Ending Fund Balance	\$ 787,467.00	\$ 870,400.00	\$ 849,200.00	

Cemetery	2023 Actual	2024 Estimated	2025 Proposed
Cemetery Expenditures	\$ 12,823.00	\$ 6,000.00	\$ 6,000.00
Total Appropriations	\$ 12,823.00	\$ 6,000.00	\$ 6,000.00
Surplus/(Deficit)	\$ -	\$ -	\$ -
Ending Fund Balance	\$ 12,823.00	\$ 6,000.00	\$ 6,000.00
	\$ 24,543,406.00	\$ 25,366,505.00	\$ 25,339,973.00

SECTION 3. At the end of the current fiscal year the governing body estimates balances/ (deficits) as follows:

General	\$ 7,500,000.00
State Street	\$ 100,000.00
T. C. Museum	\$ 100,000.00
Community Development	\$ 150,000.00
Solid Waste	\$ 500,000.00
Drug Fund	\$ 30,000.00
Water	\$ 6,000,000.00
Sewer	\$ 5,000,000.00
Gas	\$ 10,000,000.00
Biomass Gasification	\$ 0.00
Airport	\$ 100,000.00
Cemetery	\$ 300,000.00

SECTION 4. That the governing body recognizes that the municipality has bonded and other indebtedness as follows:

Bonded or Other Indebtedness	Debt Principal	Interest Requirements	Debt Authorized and Unissued	Principal Outstand 6/30/24
Bonds	\$495,496.00	\$183,436.00		\$7,088,475.00
Notes	\$172,836.00	\$ 11,550.00		\$ 614,037.00
Capital Leases	\$609,230.00	\$ 16,499.00		\$ 609,230.00
Other Debt				

SECTION 5. During the coming fiscal year, the governing body has planned capital projects and Proposed funding as follows:

Sidewalk Project – Hwy 51 – Multimodal/TAP Grant

SECTION 6. No appropriation listed above may be exceeded without an amendment of the budget ordinance as required by the Municipal Budget Law of 1982 T.C.A. Section 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 Section 6-56-205 of the Tennessee Code Annotated.

SECTION 7. Money may be transferred from one appropriation to another in the same fund only by appropriate ordinance by the governing body, subject to such limitations and procedures as it may describe as allowed by Section 6-56-209 of the Tennessee Code Annotated. Any resulting transfers shall be reported to the governing body at its next regular meeting and entered into the minutes.

SECTION 8. 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 balance and the number of full-time equivalent employees required by Section 6-56-206, Tennessee Code Annotated will be attached.

SECTION 9: There is hereby levied a property tax of the certified tax rate of \$1.0128 per \$100 of assessed value on all real and personal property.

SECTION 10. 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 notes issued pursuant to Title 9, Chapter 21, Tennessee Code Annotated or loan agreements with a public building authority Issued pursuant to Title 12, Chapter 10, Tennessee Code Annotated approved by the Comptroller of the Treasury or Comptroller's Designee 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, 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 such debt outstanding, it will file this annual operating and capital budget ordinance and supporting documents with the Comptroller of the Treasury or Comptrollers Designee.

SECTION 11. All unencumbered balances of appropriations remaining at the end of the fiscal year shall lapse and revert to the respective fund balances.

SECTION 12. All ordinances or parts of ordinances in conflict with any provision of this ordinance is hereby repealed.



SECTION 13. This ordinance shall take effect July 1, 2024, the public welfare requiring it.

Mayor Jim W. Hendry, Mayor

Attested: Sha C. Tucker  
Recorder-Treasurer

Passed First Reading May 28, 2024

Passed Second Reading June 11, 2024

Passed Third and Final Reading June 25, 2024

