

**RESOLUTION NO. 2016-4**  
**A RESOLUTION TO ADOPT AN INTERNAL CONTROL POLICY FOR**  
**THE CITY OF BAXTER, TENNESSEE.**

**WHEREAS**, in 2015 and effective June 30, 2016 the Tennessee General Assembly enacted Chapter No. 112 (HB0187/SB0413) which amends T.C.A.9-18-102 and requires local governments to establish internal controls ; and

**WHEREAS**, the City of Baxter wishes to provide reasonable assurance that assets are safeguarded against misappropriation and unauthorized use, and that obligations are met timely and all transactions are properly recorded and accounted for, and that accurate and reliable financial reports are prepared; and

**WHEREAS**, the City of Baxter has determined that it is in the best interest of the City of Baxter to adopt the revised State of Tennessee Office of the Comptroller December 2015 Internal Control and Compliance Manual; and has established its own internal control manual referenced below;

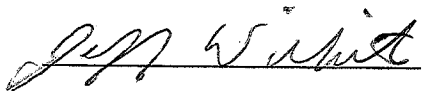
**NOW, THEREFORE, BE IT RESOLVED** by the City of Baxter that the following is hereby approved:

**SECTION 1.** The City of Baxter adopts the revised Internal Control manual as well as its own internal control manual {attached to this resolution} dated June 30, 2016.


**SECTION 2.** This revised Internal Control policy dated June 30, 2016 repeals and replaces any and all previously adopted Internal Control policies.

**SECTION 3.** This Resolution takes effect immediately upon its passage, the public welfare requiring it.

Approved this 7th day of July, 2016



Mayor

Attest: 

Interim City Recorder

**ORDINANCE NO. 2016-5**

**AN ORDINANCE AMENDING THE ANNUAL OPERATING BUDGET OF THE  
WATER AND SEWER FUNDS OF  
BAXTER, TENNESSEE FOR FISCAL YEAR 2015-16**

Whereas, the budget process is one of the most important activities undertaken by governments for the public welfare with the budget process being used to make program, service and capital decisions and allocate scarce resources to programs, services and capital;

Whereas, *Tennessee Code Annotated* Title 6 Chapter 56 Section 208 allows the governing body to amend the annual budget ordinance in the same manner as any other ordinance may be amended;

Whereas, *Tennessee Code Annotated* Title 9 Chapter 1 Section 116 requires that all funds first be appropriated before being expended and that only funds that are available may be appropriated;

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 their source except in accordance with a budget ordinance and that the governing body shall not make any appropriation in excess of estimated available funds;

Whereas the budget ordinance is the legal document whereby the governing body appropriates funds and thereby gives the legal authority for expenditures of the City as required by state law;

Now, therefore be it ordained by the Board of Mayor and Aldermen of Baxter, Tennessee, that:

**Town of Baxter FY 2015-16 Budget**

**Water Works Fund 413**

**Cash Basis** is amended by the following:

**52200 Sewer Department**

**Operating Expenditures**

Notes and Bonds Payable (principal) be amended by from \$35,286 to \$288,341.81.

(Rural Development- Water Tank Loan #91-10 Payoff 6-17-2016      288,341.81)

**Total amendment \$288,341.81**

**ORDINANCE NO. 2015-17**

**Section 2:** After adoption by this governing body, this amendment will be presented to the Director of Local Finance as required by Tennessee Code Annotated Title 9 Chapter 21 Section 403 for continuing approval of a balanced budget.


**Section 3:** All ordinances or parts of ordinances in conflict with any provision of this ordinance are hereby repealed.

**Section 4:** If any section, clause, provision or portion of this ordinance is held to be invalid or unconstitutional by any Court of competent jurisdiction, such holdings shall not affect any other section, clause, provision or portion of this ordinance.

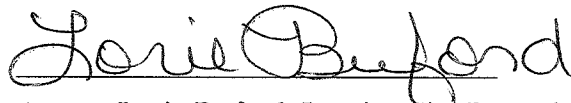
**Section 5:** This ordinance shall take effect at the earliest date allowed by law, the public welfare requiring it.

1<sup>st</sup> Reading: 6-16-2016

2<sup>nd</sup> and Final Reading:



Mayor, Jeff Wilhite



Attest: Lorie Buford, Interim City Recorder

City Seal:

**ORDINANCE NO. 2016 - 6**

AN ORDINANCE OF THE TOWN OF BAXTER, TENNESSEE  
ADOPTING A BUDGET FOR THE GENERAL AND SPECIAL REVENUE FUNDS  
AND TAX RATE FOR THE FISCAL YEAR  
BEGINNING JULY 1, 2016 AND ENDING JUNE 30, 2017

WHEREAS, *Tennessee Code Annotated* Title 9, Chapter 1, Section 116 requires that all funds of the State of Tennessee and 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 the state statute, that no municipality may expend 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 (10) days prior to the meeting where the governing body will consider final passage of the budget.

NOW THEREFORE BE IT ORDAINED BY THE TOWN OF BAXTER, TENNESSEE AS FOLLOWS:

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

<b>General Fund</b>	<b>FY 2014-2015 Actual</b>	<b>FY 2015-2016 Estimated</b>	<b>FY 2016-2017 Proposed</b>
Local Taxes	\$767,517	\$798,376	\$805,581
Intergovernmental	\$176,716	\$329,354	\$584,908
Licenses and Permits	\$8,229	\$17,684	\$15,684
Fines and Forfeitures	\$23,245	\$25,673	\$24,640
Miscellaneous Revenues	\$70,746	\$422,968	\$59,832
Total Revenue	\$1,046,453	\$1,594,054	\$1,490,645
Fund Balance	\$507,468	\$579,510	\$575,301
Total Available Funds	\$1,553,921	\$2,173,564	\$2,065,946

<b>Sanitation</b>	<b>FY 2014-2015 Actual</b>	<b>FY 2015-2016 Estimated</b>	<b>FY 2016-2017 Proposed</b>
Charges for Services	\$40,735	\$43,163	\$42,616
Transfer from General Fund	\$27,298	\$32,035	\$34,596
Total Revenues	\$68,033	\$75,198	\$77,211
Fund Balance	\$0	\$0	\$0
Total Available Funds	\$68,033	\$75,198	\$77,211

<b>State Street Aid Fund</b>	<b>FY 2014-2015 Actual</b>	<b>FY 2015-2016 Estimated</b>	<b>FY 2016-2017 Proposed</b>
Intergovernmental	\$24,708	\$24,597	\$38,220
Miscellaneous Revenues	\$3	\$3	\$2
Total Revenues	\$24,711	\$24,600	\$38,222
Fund Balance	\$10,257	\$9,736	\$7,157
Total Available Funds	\$34,968	\$34,336	\$45,379

<b>Drug Fund</b>	<b>FY 2013-2014 Actual</b>	<b>FY 2014-2015 Estimated</b>	<b>FY 2015-2016 Proposed</b>
Fines and Forfeitures	\$321	\$0	\$0
Sale of Property	\$5,500	\$0	\$0
Misc. Revenue	\$7	\$0	\$0
Total Revenue	\$5,828	\$0	\$0
Fund Balance	\$2,543	\$8,371	\$8,371
Total Available Funds	\$8,371	\$8,371	\$8,371

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

<b>General Fund</b>	<b>FY 2014-2015 Actual</b>	<b>FY 2015-2016 Estimated</b>	<b>FY 2016-2017 Proposed</b>
General Government	\$324,224	\$319,502	\$335,038
Public Safety	\$458,940	\$447,153	\$950,685
Public Works	\$158,749	\$606,873	\$186,425
Parks and Recreation	\$5,200	\$5,200	\$5,200
Transfer to Sanitation			\$34,596
Housing Grant	\$0	\$187,500	\$0
Total Appropriations	\$947,113	\$1,566,228	\$1,511,943

<b>Sanitation</b>	<b>FY 2014-2015 Actual</b>	<b>FY 2015-2016 Estimated</b>	<b>FY 2016-2017 Proposed</b>
Public Works	\$68,033	\$75,198	\$77,211
Total Appropriations	\$68,033	\$75,198	\$77,211

<b>State Street Aid Fund</b>	<b>FY 2014-2015 Actual</b>	<b>FY 2015-2016 Estimated</b>	<b>FY 2016-2017 Proposed</b>
Streets	\$36,562	\$38,413	\$38,006
Total Appropriations	\$36,562	\$38,413	\$38,006

<b>Drug Fund</b>	<b>FY 2014-2015 Actual</b>	<b>FY 2015-2016 Estimated</b>	<b>FY 2016-2017 Proposed</b>
Police	\$0	\$0	\$0
Total Appropriations	\$0	\$0	\$0

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

General Fund	\$575,301
Sanitation	\$0
State Street Aid Fund	\$7,157
Drug Fund	\$8,371

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

Bonded or Other Indebtedness	Debt Redemption	Interest Requirements	Debt Authorized and Unissued	Sinking Fund
Bonds	\$0	\$0	\$0	\$0
Notes	\$59,307	\$12,979	\$0	\$0
Capital Leases	\$10,774	\$1,253	\$0	\$0
Other Debt	\$0	\$0	\$0	\$0

\*There is no debt in the special revenue funds.

SECTION 5: During the coming fiscal year the governing body has planned capital projects/ capital outlay items and proposed funding as follows:

Proposed Capital Projects/Capital Outlay Items*	Proposed Amount Financed by Appropriations	Proposed Amount Financed by Debt
Fire Equipment	\$0	\$50,000

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 accordance 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 may 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 became 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 Section 6-56-206, *Tennessee Code Annotated* will be attached.

Section 9: If for any reason a budget ordinance is not adopted prior to the beginning of the next fiscal year, the appropriations in this budget ordinance shall become the appropriations for the next fiscal year until the adoption of the new budget ordinance in accordance with Section 6-56-2010, *Tennessee Code Annotated* provided sufficient revenues are being collected to support the continuing appropriations. Approval of the Director of the Division of

Local Finance in the Comptroller of the Treasury for a continuation budget will be requested if any indebtedness is outstanding.

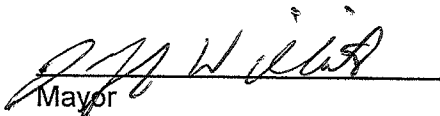
Section 10: A property tax rate on the assessed value of real and personal property within the town line shall be levied under a separate ordinance.

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: This ordinance shall take effect July 1, 2016 the public welfare requiring it.

PASSED 1ST READING

PASSED 2ND READING

  
\_\_\_\_\_  
Mayor

City Seal:

  
\_\_\_\_\_  
Attest: City Recorder

## ORDINANCE 2016 - 7

AN ORDINANCE OF THE TOWN OF BAXTER, TENNESSEE, ADOPTING A BUDGET FOR WATER AND SEWER FUND FOR THE FISCAL YEAR JULY 1, 2016 THROUGH JUNE 30, 2017

BE IT ORDAINED BY THE TOWN OF BAXTER, TENNESSEE, AS FOLLOWS:

SECTION 1. A budget consisting of the Available Funds and Appropriations listed in SECTION 2 and SECTION 3 below be adopted for the Fiscal Year July 1, 2016 through June 30, 2017.

SECTION 2. The Available Funds for said budget are as follows:

Operating Revenues-Water	\$925,000	
Operating Revenues-Sewer	\$225,000	
Other operating revenues	\$112,000	
Total Water Works Fund		\$1,262,000

SECTION 3. Appropriations for said budget are as follows:

Operating Expenses - Water	\$886,622	
Operating Expenses - Sewer	\$322,922	
Total appropriations		\$1,209,544

SECTION 4. No appropriation listed above may be exceeded without appropriate ordinance action to amend budget.

SECTION 5. A detailed line-item financial plan shall be prepared in support of the budget.

SECTION 6. All unencumbered balances of appropriations remaining at the end of the fiscal year shall lapse and revert to the respective fund balance.

SECTION 7. The appropriations of this budget shall become the appropriations for the next fiscal year until the budget for the next-year has been adopted.




SECTION 8. Reconciliation of cash to show the utility's ability to pay principal payments and capital outlay projects.

Beginning Cash	\$1,424,507
Change in net assets	18,502
ADD: Depreciation	329,244
LESS: Principal	32,360
Capital outlay	0
Estimated ending cash	<u><u>\$1,739,893</u></u>

SECTION 9. This ordinance shall take effect July 1, 2016 the public welfare requiring it.

1ST READING:

2ND READING:

  
Mayor

City Seal:

  
Attest: City Recorder