



**ORDINANCE No. 26-369**

**AN ORDINANCE OF THE TOWN OF CORNERSVILLE, 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 money, 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; and,

**WHEREAS**, the proposed annual operating budget with budgetary comparisons for the prior year and current year was published in a newspaper of general circulation, the Marshall County Post, on March 19<sup>th</sup>, 2026 and the Town's website on March 12<sup>th</sup>, 2026; and,

**NOW, THEREFORE BE IT ORDAINED BY THE BOARD OF MAYOR AND ALDERMEN OF THE TOWN OF CORNERSVILLE, 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 2027, 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>Budget FY 2027</b>
<b>Revenues</b>			
Local Taxes	\$ 560,329	\$ 591,031	\$ 622,700
Licenses And Permits	1,560	1,159	1,020
Intergovernmental	250,001	293,657	267,500
Charges For Services	-	-	-
Fines And Forfeitures	18,543	21,152	21,000
Other	41,939	52,326	65,000
<b>Other Financing Sources</b>			
Issuance of Debt / Debt Proceeds	138,000	150,000	-
Sale of Capital Assets	10,000	3,701	-
Transfers In - from other funds	-	11,000	11,000
<b>Other Financing Sources</b>	<b>\$ 1,020,372</b>	<b>\$ 1,124,026</b>	<b>\$ 988,220</b>
<b>Appropriations</b>			
<b>Expenditures</b>			
Department of Administration	\$ 534,147	\$ 586,587	\$ 463,200
Police Department	204,939	273,539	329,500
Fire Department	60,984	52,346	21,500
Parks Department	769	795	2,200
Debt Service - Principal and Interest	114,688	124,709	161,000
<b>Other Financing Uses</b>		58,946	10,000
Transfers Out - to other funds	-	-	-
<b>Total Appropriations</b>	<b>\$ 915,527</b>	<b>\$ 1,096,922</b>	<b>\$ 987,400</b>
<b>Change in Fund Balance (Revenues - Appropriations)</b>	<b>104,845</b>	<b>27,104</b>	<b>820</b>
<b>Beginning Fund Balance July 1</b>	<b>643,135</b>	<b>747,980</b>	<b>775,084</b>
<b>Ending Fund Balance June 30</b>	<b>\$ 747,980</b>	<b>\$ 775,084</b>	<b>\$ 775,904</b>
<b>Ending Fund Balance as a % of Total Appropriations</b>	<b>81.7%</b>	<b>70.7%</b>	<b>78.6%</b>

STATE STREET AID FUND	Estimated		
	Actual FY 2025	Actual FY 2026	Budget FY 2027
<b>Revenues</b>			
State Gas and Motor Fuel Taxes	\$ 27,721	\$ 27,462	\$ 27,800
Gas Tax Increase	28,613	28,927	29,000
<b>Other Financing Sources</b>			
Interest	2,083	2,054	1,800
Transfers In - from other funds	-	-	-
<b>Total Revenues and Other Financing Sources</b>	<b>\$ 58,417</b>	<b>\$ 58,443</b>	<b>\$ 58,600</b>
<b>Appropriations</b>			
Public Works Department	\$ 45,100	\$ 58,243	\$ 58,350
Debt Service - Principal and Interest	-	-	-
<b>Total Appropriations</b>	<b>\$ 45,100</b>	<b>\$ 58,243</b>	<b>\$ 58,350</b>
<b>Change in Fund Balance (Revenues - Appropriations)</b>	<b>13,317</b>	<b>200</b>	<b>250</b>
<b>Beginning Fund Balance July 1</b>	<b>62,726</b>	<b>76,043</b>	<b>76,243</b>
<b>Ending Fund Balance June 30</b>	<b>\$ 76,043</b>	<b>\$ 76,243</b>	<b>\$ 76,493</b>
<b>Ending Fund Balance as a % of Total Appropriations</b>	<b>168.6%</b>	<b>130.9%</b>	<b>131.1%</b>

SANITATION FUND	Estimated		
	Actual FY 2025	Actual FY 2026	Budget FY 2027
<b>Revenues</b>			
User Fees	\$ 161,340	\$ 166,107	\$ 166,000
Interest	-	1,340	1,300
<b>Other Financing Sources</b>			
Issuance of Debt / Debt Proceeds	-	-	-
Transfers In - from other funds	-	-	-
<b>Total Revenues and Other Financing Sources</b>	<b>\$ 161,340</b>	<b>\$ 167,447</b>	<b>\$ 167,300</b>
<b>Appropriations</b>			
Contract Services	\$ 157,145	\$ 151,389	\$ 155,000
Debt Service	-	-	-
<b>Other Financing Uses</b>			
Transfers Out - to other funds	-	11,000	11,000
<b>Total Appropriations</b>	<b>\$ 157,145</b>	<b>\$ 162,389</b>	<b>\$ 166,000</b>
<b>Change in Fund Balance (Revenues - Appropriations)</b>	<b>4,195</b>	<b>5,058</b>	<b>1,300</b>
<b>Beginning Fund Balance July 1</b>	<b>34,171</b>	<b>38,366</b>	<b>43,424</b>
<b>Ending Fund Balance June 30</b>	<b>\$ 38,366</b>	<b>\$ 43,424</b>	<b>\$ 44,724</b>
<b>Ending Fund Balance as a % of Total Appropriations</b>	<b>24.4%</b>	<b>26.7%</b>	<b>26.9%</b>

DRUG FUND	Estimated		
	Actual FY 2025	Actual FY 2026	Budget FY 2027
<b>Revenues</b>			
Fines And Forfeitures	\$ 441	\$ 179	\$ 180
Other	-	-	-
<b>Other Financing Sources</b>			
Issuance of Debt / Debt Proceeds	-	-	-
Transfers In - from other funds	-	-	-
<b>Total Revenues and Other Financing Sources</b>	<b>\$ 441</b>	<b>\$ 179</b>	<b>\$ 180</b>
<b>Appropriations</b>			
Drug Enforcement	\$ 441	\$ 179	\$ -
Debt Service	-	-	-
<b>Total Appropriations</b>	<b>\$ 441</b>	<b>\$ 179</b>	<b>\$ 180</b>
<b>Change in Fund Balance (Revenues - Appropriations)</b>	-	-	-
<b>Beginning Fund Balance July 1</b>	5,260	5,701	5,880
<b>Ending Fund Balance June 30</b>	<b>\$ 5,701</b>	<b>\$ 5,880</b>	<b>\$ 6,060</b>
<b>Ending Fund Balance as a % of Appropriations</b>	1292.7%	3284.9%	3366.7%

**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, 2026
General Fund	\$ 775,084
State Street Street Aid Fund	76,243
Sanitation Fund	43,424
Drug Fund	5,880

**SECTION 3.** That the governing body herein certifies that the condition of its sinking funds, if applicable, are compliant pursuant to its loan agreements, and recognizes that the municipality has outstanding indebtedness as follows:

**Schedule of Outstanding Debt and Budgeted Debt Service  
Fiscal Year 2027**

Fund	Type of Debt	Loan Name and Description	Original Issuance Amount	Authorized & Unissued	Total Principal & Outstanding at June 30	Budgeted Annual Debt Service			Detailed Budget Page Number
						Principal	Interest	Total	
General	Note	2023 CON Series 1	\$ 300,000	\$ -	\$ 88,427	\$ 62,419	\$ 7,414	\$ 69,833	2
	Note	2024 CON Series 2	100,000	-	32,956	20,585	2,608	23,193	2
	Note	2025 CON Series 3	138,000	-	73,588	26,830	4,853	31,683	2
	Note	2026 CON Series 1* *requested for approval	150,000	-	118,744	28,978	4,622	33,600	2
<b>Total Outstanding Debt</b>			<b>\$ 538,000</b>	<b>\$ -</b>	<b>\$ 194,971</b>	<b>\$ 109,834</b>	<b>\$ 14,875</b>	<b>\$ 124,709</b>	

**SECTION 4.** During the coming fiscal year (2027) the governing body does not have pending or planned capital projects.

**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.** If any section, clause, provision or portion of this Ordinance is for any reason declared invalid or unconstitutional by any Court of competent jurisdiction, such holding shall not affect any other section, clause, provision or portion of this Ordinance that is not itself invalid or unconstitutional.

**SECTION 7.** Money may be transferred from one appropriation to another in the same fund by the Town Administrator, 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. Any net income in excess of contracted amounts or required minimum fund balance for Sanitation Fund can be transferred to General Fund as administrative costs to administer garbage and/or brush service before June 30, 2027.

**SECTION 8.** A detailed budget is attached hereto as Exhibit A and is part of this budget ordinance.

**SECTION 9.** There is hereby levied a property tax of \$ 0.93 per \$100.00 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 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 applicable statutes, the Governing Body shall adjust its estimates or make additional tax levies sufficient to comply with the applicable statutes or as directed by the Comptroller of the Treasury or Comptroller's Designee.

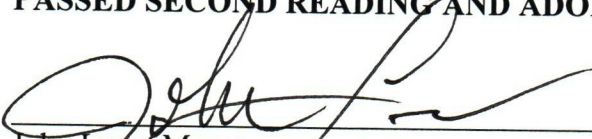
**SECTION 11.** All unencumbered balances of appropriations remaining at the end of the fiscal year shall lapse and revert to the respective fund balances.

**SECTION 12.** All ordinances or parts of ordinances in conflict herewith are hereby repealed.

**SECTION 13.** This Ordinance shall take effect and be in full force on July 1, 2026 after its final passage, the public welfare demanding it.

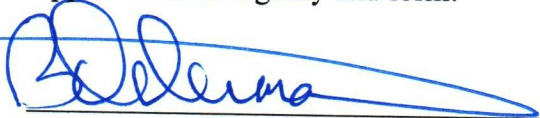
**PASSED FIRST READING:** April 2, 2026

**PASSED SECOND READING AND ADOPTED:** May 7, 2026

  
\_\_\_\_\_  
John Luna, Mayor

  
\_\_\_\_\_  
Taylor Brandon, Town Recorder

Approved as to legality and form:

  
\_\_\_\_\_  
Billy Ostermann, Town Attorney

**Exhibit A: Budget Detail**

<b>TOWN OF CORNERSVILLE</b>				
<b>FISCAL YEAR 2026-27 BUDGET</b>		<b>Property tax rate in 2026-2027 = \$0.93</b>		
<b>GENERAL FUND</b>				
<b>REVENUES:</b>		<b>FY2024-25</b>	<b>FY2025-26</b>	<b>FY2026-27</b>
Local Taxes			Estimated	Proposed
	Property taxes	333,535	344,000	360,000
	Local sales tax	176,668	192,039	207,400
	Liquor tax	7,519	7,619	7,500
	Beer tax	42,607	47,373	47,800
	<b>Total Taxes</b>	<b>560,329</b>	<b>591,031</b>	<b>622,700</b>
Intergovernmental				
	TVA in lieu	19,086	21,155	23,000
	State sales Tax	207,175	206,940	219,500
	State excise tax	1,414	0	0
	State sportsbetting	3,432	3,498	3,700
	Mixed drink tax	11,706	12,471	12,800
	State grants	0	42,853	0
	State beer tax	661	683	700
	State supplement	3,710	3,200	4,800
	State special petroleum tax	2,817	2,857	3,000
	<b>Total Intergovernmental Revenue</b>	<b>250,001</b>	<b>293,657</b>	<b>267,500</b>
Licenses and Permits				
	Beer Permits	1,560	1,139	1,000
	Fireworks Permit		20	20
	<b>Total Licenses and Permits</b>	<b>1,560</b>	<b>1,159</b>	<b>1,020</b>
Fines and Fees				
	Court fines and fees	18,543	21,152	21,000
	<b>Total Fines and Fees</b>	<b>18,543</b>	<b>21,152</b>	<b>21,000</b>
Miscellaneous				
	Interest	26,118	19,728	22,000
	Zoning	9,648	11,079	8,000
	Donation	0	0	0
	Sale of Equipment	10,000	3,701	0
	Town Activities	4,392	0	0
	Miscellaneous	1,781	21,519	35,000
	Loan Proceeds	138,000	150,000	
	<b>Total Miscellaneous Revenue</b>	<b>189,939</b>	<b>206,027</b>	<b>65,000</b>
Transfer from Sanitation		0	11,000	11,000
	<b>Total Revenues</b>	<b>1,020,372</b>	<b>1,124,026</b>	<b>988,220</b>

<b>EXPENDITURES</b>				
<b>General Government</b>		<b>FY2024-25</b>	<b>FY2025-26</b>	<b>FY2026-27</b>
			Estimated	Proposed
Salaries		144,177	164,771	176,000
Payroll taxes		19,897	23,322	26,300
Employee benefits		63,831	68,005	75,000
Judge fee		300	500	600
Board and committee members		8,800	8,350	9,600
Utilities		6,150	5,661	5,700
Professional Services		32,911	31,034	40,000
Subscriptions, publicity and dues		13,804	12,743	14,000
Supplies		31,717	2,320	4,000
Repair and Maintenance		5,283	150,232	15,000
Insurance		31,420	37,689	38,000
Mileage and auto expenses		2,374	1,960	3,000
Miscellaneous		3,926	0	1,000
Debt service		114,688	124,709	161,000
Capital Outlay		169,557	80,000	55,000
<b>Total General Government</b>		<b>648,835</b>	<b>711,296</b>	<b>624,200</b>
<b>Police Department</b>		<b>FY2024-25</b>	<b>FY2025-26</b>	<b>FY2026-27</b>
			Estimated	Proposed
Salaries		100,792	136,894	158,000
Employee benefits		61,183	89,058	95,000
Vehicle expenses		4,915	10,743	14,000
Supplies		4,069	2,740	3,000
Professional services		29,830	29,991	30,000
Insurance		2,508	3,913	4,000
Miscellaneous		1,642	200	500
Capital outlay		0	0	25,000
<b>Total Police Department</b>		<b>204,939</b>	<b>273,539</b>	<b>329,500</b>
<b>Fire Department</b>		<b>FY2024-25</b>	<b>FY2025-26</b>	<b>FY2026-27</b>
			Estimated	Proposed
Volunteer firemen		7,870	2,655	7,000
Repair and maintenance		2,261	42,991	5,000
Utilities		10,417	5,902	8,500
Supplies and uniforms (includes fuel)		5,421	771	1,000
Miscellaneous		187	27	0
Capital outlay		34,828	0	0
<b>Total Fire Department</b>		<b>60,984</b>	<b>52,346</b>	<b>21,500</b>
<b>Total Public Safety</b>		<b>265,923</b>	<b>325,885</b>	<b>351,000</b>

<b>Parks</b>	<b>FY2024-25</b>	<b>FY2025-26</b>	<b>FY2026-27</b>
		Estimated	Proposed
Supplies	94	0	1,000
Miscellaneous(includes utilities)	675	795	1,000
Capital outlay	0	0	200
<b>Total Parks</b>	<b>769</b>	<b>795</b>	<b>2,200</b>
<b>Other Expenditures</b>	<b>0</b>	<b>58,946</b>	<b>10,000</b>
<b>Total Expenditures</b>	<b>915,527</b>	<b>1,096,922</b>	<b>987,400</b>
<b>Excess (deficiency) of Revenues over Expenditures</b>	<b>104,845</b>	<b>27,104</b>	<b>820</b>
<b>Beginning Fund Balance</b>	<b>643,135</b>	<b>747,980</b>	<b>775,084</b>
<b>Ending Fund Balance</b>	<b>747,980</b>	<b>775,084</b>	<b>775,904</b>

<b>STREET FUND</b>	<b>FY2024-25</b>	<b>FY2025-26</b>	<b>FY2026-27</b>
<b>REVENUES</b>		Estimated	Proposed
State Gas and Motor Fuel Taxes	27,721	27,462	27,800
Gas Tax Increase	28,613	28,927	29,000
State Reimbursement	0	0	0
Grant	0	0	0
Interest	2,083	2,054	1,800
Loan	0	0	0
Operating Transfers In	0	0	0
<b>Total Revenues</b>	<b>58,417</b>	<b>58,443</b>	<b>58,600</b>
<b>EXPENDITURES</b>			
Street Lights	10,917	11,310	11,350
Repair and Maintenance	34,183	43,827	0
Supplies	0	3,106	2,500
Loan Principal	0	0	0
Loan Interest	0	0	0
Capital Outlay			
Sidewalks	0	0	19,500
Paving	0	0	25,000
<b>Total Expenditures</b>	<b>45,100</b>	<b>58,243</b>	<b>58,350</b>
Surplus / ( Deficit )	13,317	200	250
Beginning Fund Balance	62,726	76,043	76,243
Ending Fund Balance	76,043	76,243	76,493

<b>SANITATION FUND</b>		<b>FY2024-25</b>	<b>FY2025-26</b>	<b>FY2026-27</b>
<b>REVENUES</b>			Estimated	Proposed
User fees		161,340	166,107	166,000
Interest		0	1,340	1,300
<b>Total Revenues</b>		<b>161,340</b>	<b>167,447</b>	<b>167,300</b>
<b>EXPENDITURES</b>				
Contract services		157,145	151,389	155,000
Transfer Out to General Fund		0	11,000	11,000
<b>Total Expenditures</b>		<b>157,145</b>	<b>162,389</b>	<b>166,000</b>
Surplus / ( Deficit )		4,195	5,058	1,300
Beginning Fund Balance		34,171	38,366	43,424
Ending Fund Balance		38,366	43,424	44,724

<b>DRUG FUND</b>		<b>FY2024-25</b>	<b>FY2025-26</b>	<b>FY2026-27</b>
<b>REVENUES</b>			Estimated	Proposed
Fines / interest		441	179	180
Sale of Assets		0	0	0
Safety Grant		0	0	0
Interest		0		
<b>Total Revenues</b>		<b>441</b>	<b>179</b>	<b>180</b>
<b>EXPENDITURES</b>				
Supplies / Investigation / Training		0	0	0
Repair and Maintenance		0	0	0
Capital outlay		0	0	0
<b>Total Expenditures</b>		<b>0</b>	<b>0</b>	<b>0</b>
Surplus / ( Deficit )		441	179	180
Beginning Fund Balance		5,260	5,701	5,880
Ending Fund Balance		5,701	5,880	6,060