




JASON E. MUMPOWER
Comptroller

ANNUAL BUDGET MEMO

To: Budget Contact
From: Betsy Knotts, Director 
Division of Local Government Finance
Date: January 25, 2021
Subject: Fiscal Year 2022 Annual Budget Memo for Tennessee Counties
and Metropolitan Governments

Thank you for partnering with us as we work together to promote fiscal responsibility in Tennessee's local governments. Timely budget adoption is foundational to the budget process and ensures your local government begins the fiscal year with a sound financial spending plan.

Last year our office recognized 16 of Tennessee's 95 counties and metropolitan governments for, among other criteria, adopting a balanced budget on or before June 30 and submitting the budget to LGF@cot.tn.gov within 15 days of adoption, tncot.cc/budgetcertificates. We look forward to even more counties and metropolitan governments joining that number for fiscal year 2022.

We want the budget adoption and submission process to be as simple and seamless as it can be. In an effort to support you, we have compiled instructional videos at the following link: tncot.cc/budget. Additionally, we are asking for your feedback. We really appreciate your time and participation in our survey which can be found at tncot.cc/budget.

Please also note, pursuant to Public Acts 2020, Chapter 572, local governments with water and sewer utility systems are required to fill out an annual information statement before the beginning of your fiscal year. Please visit tncot.cc/utilityinfo to fulfill this requirement.

Required Documents for Budget Submission

Prior to the beginning of each fiscal year, all counties and metropolitan governments in Tennessee must adopt a budget resolution and email it, with other required documents as described below, to LGF@cot.tn.gov within 15 days of adoption.

- Cover letter on the local government's letterhead (contact information included);
- Signed/certified copies of the appropriation and tax levy resolutions;
- Detailed budgets for all funds including enterprise funds and school funds, as applicable;
 - Include estimated beginning fund balances and cash balances for each fund at July 1, 2021, and ending balances at June 30, 2022.
- Budget Summary Schedule;
- Cash Flow Forecast Schedules for:

- Operating funds with a budgeted ending cash balance less than 10% of annual expenditures *or* an ending cash balance in the prior year audit less than 10% of annual expenditures;
- Any fund that received proceeds from TRANs the past two consecutive years; and
- All operating funds if the prior year audit has not been issued/is late.
- Schedule of Outstanding Debt and Budgeted Debt Service, as applicable; and
- Revenue forecasts for property and sales tax in fiscal year 2022, when applicable.

Further information concerning budgeting requirements, a budget submission checklist, and excel schedules may be found on our website at: tncot.cc/budget.

Please send the complete package to: LGF@cot.tn.gov.

If you need any assistance with your submission, you may contact your analyst. For hands-on assistance in preparing and adopting your budget, please contact the County Technical Advisory Service (CTAS) or the State Department of Education-Section of Local Finance.

NOTE: Please do not include debt approval requests with your budget submission.

Enclosure: Contact Information