COUNTY FINANCE OVERVIEW

COOP 2026

BUDGETING

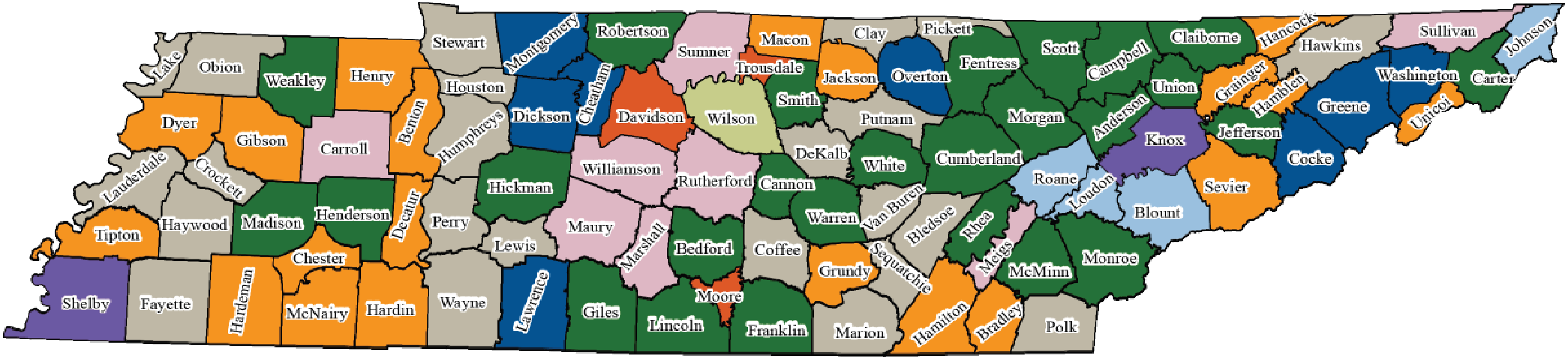
WHAT IS A BUDGET?

A plan and legal document

Identifies the services and how the services are to be financed

Sets expenditure limitations on offices

Tennessee
County Budgeting Laws



1957 Law

1957 w/ schools

1981 Law

1981 w/o schools

1993 Law

General Law

Metro Charter

Charter

Centralized by Private Act

Private Act

REQUIRED SERVICES

Ambulance	Health Department
Civil Defense	Law Enforcement
Courthouse, Courts, & Officials	Medical Examiner
Education	Roads and Bridges
Elections	Solid Waste
Growth Management Policy	Storm Water Management

OPTIONAL SERVICES

Airport	Recreation
Animal Control	Sewer System
911 System	School Transportation
Fire Protection	Non-Profit/Charitable Donations
Industrial Development	Waste & Water System
Planning	Workhouse

MAINTENANCE OF EFFORT (MOE)

A requirement that a county maintain a certain level of financial support for specific offices or services – either by **maintaining revenue provided** or a **required level of expenditures.**

MAINTENANCE OF EFFORT (MOE)

T.C.A. requires certain financial mandates:

- Board of Education
- Sheriff's Office (Including Jail)
- Highway Department
- Election Commission
- Public Library
- Assessor of Property
- Emergency Communications District
- County Mayor

HIGHWAY DEPARTMENT MOE

T.C.A. 67-3-901

Allocate funds for road purposes from local revenue sources at an amount not less than the average of the last five fiscal years.

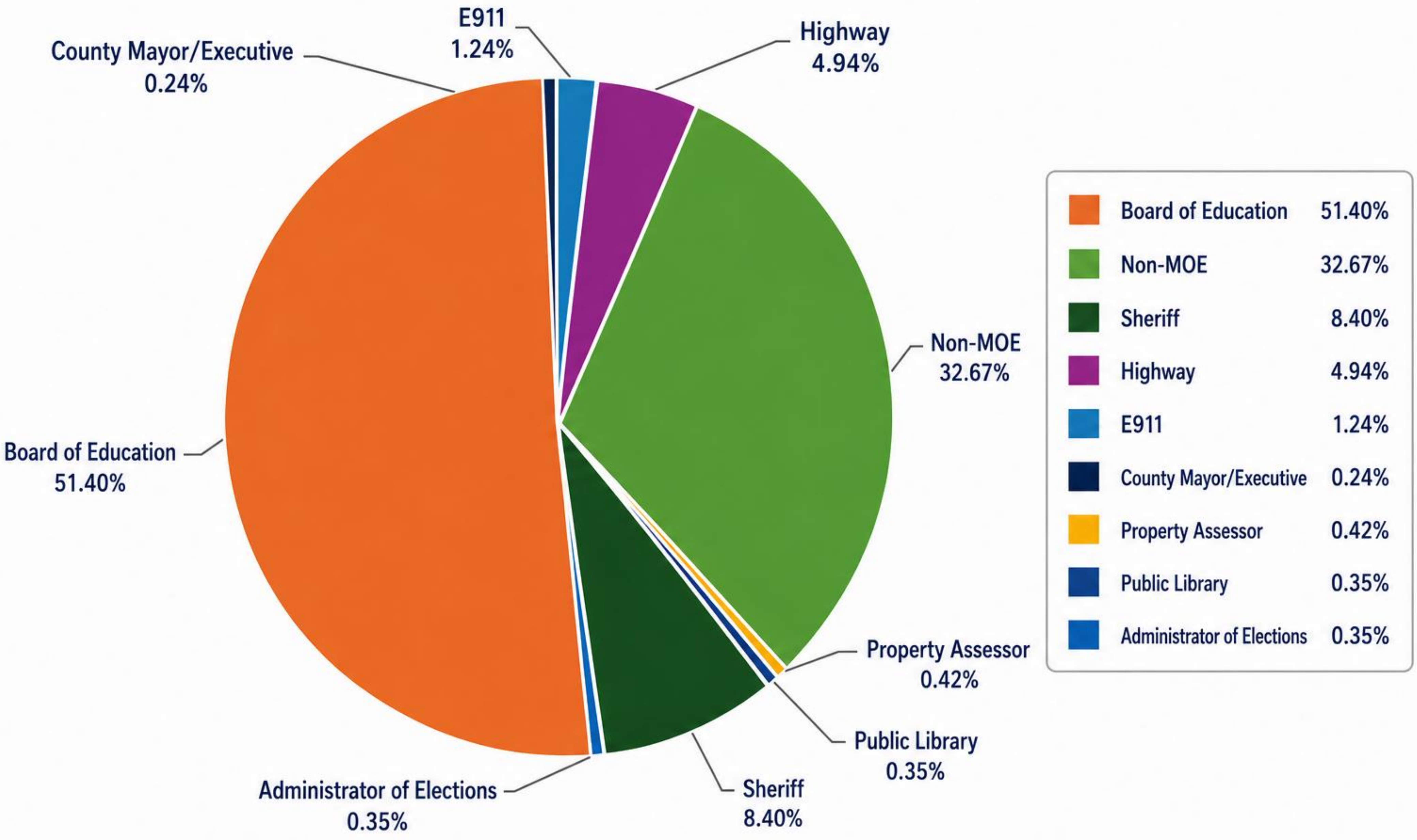
Highway Five-Year Average Test

Account	Actual					Budget
	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026
Current Property Tax	1,161,892	1,178,479	1,214,022	1,230,119	1,113,570	1,135,840
Trustee's Collections - Prior Year	38,254	31,621	28,334	29,798	30,000	29,750
Trustee's Collections - Bankruptcy	379	696	2,203	2,815	1,000	2,250
Circuit Clerk/Clerk and Master Collections - Prior Years	16,654	12,933	17,572	15,355	14,000	14,000
Interest and Penalty	6,182	6,002	5,331	6,454	6,000	6,000
Payments in-Lieu-of Taxes - T.V.A.	46	46	46	46	50	50
Local Option Sales Tax	374,208	474,066	545,133	549,060	450,000	525,000
Wheel Tax	580,920	584,404	615,896	659,888	575,000	575,000
Business Tax	29,918	33,817	37,867	37,313	30,000	34,000
Investment Income	52,596	61,037	588,438	1,059,670	223,983	424,733
Total Local Revenues	2,261,049	2,383,101	3,054,842	3,590,518	2,443,603	2,746,623

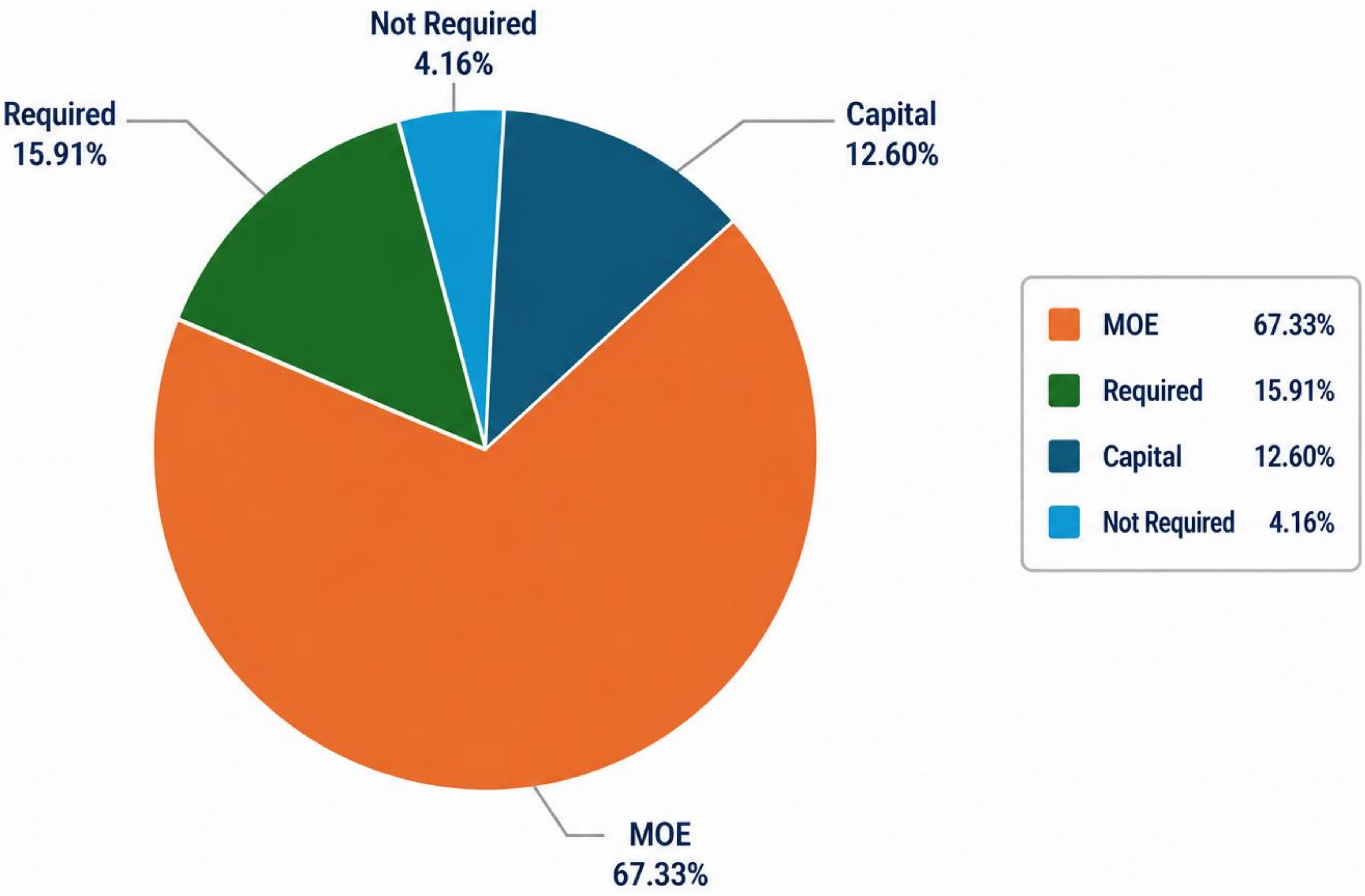
Average = Total of 5 years local revenue divided by 5

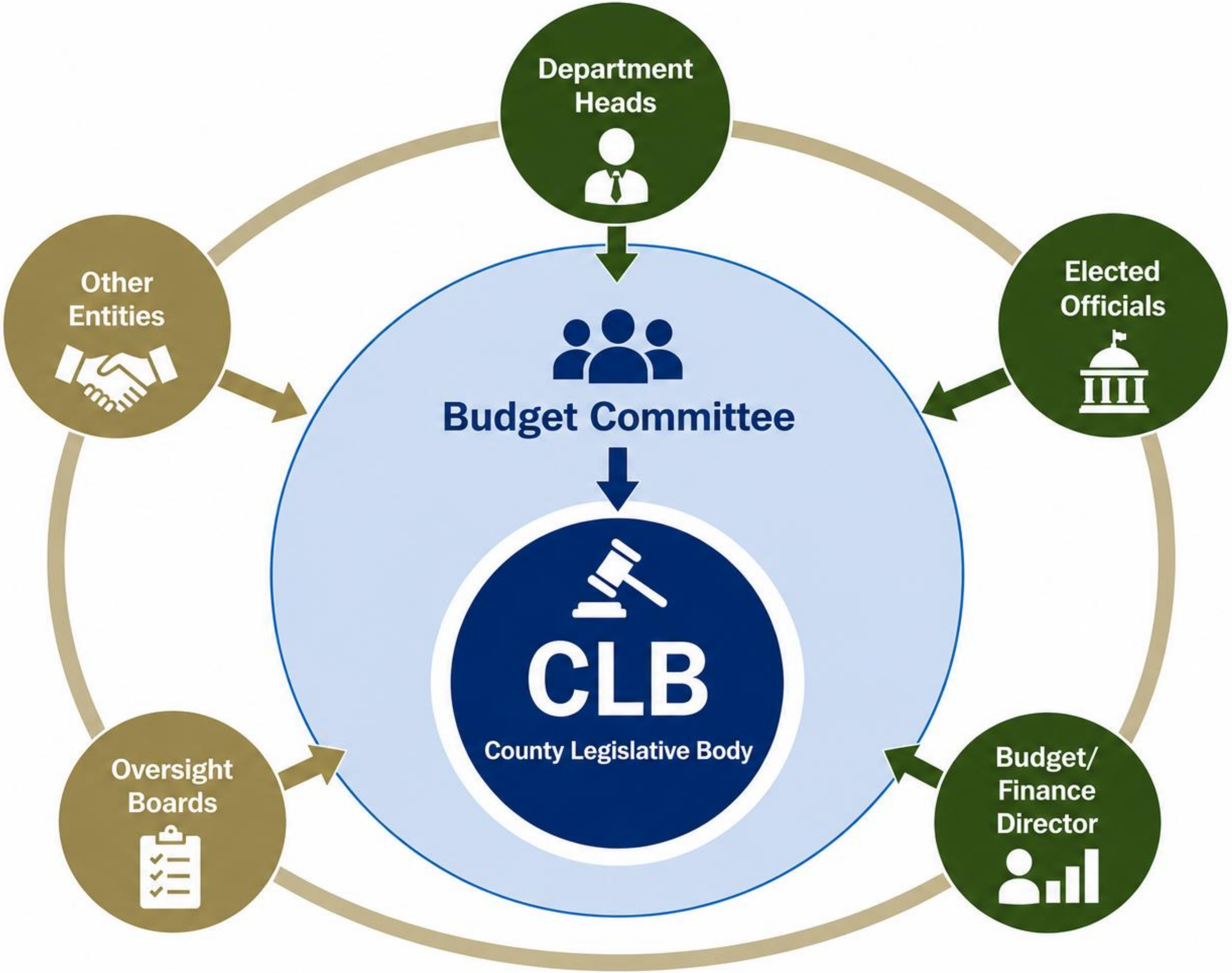
Five Year Average 2,746,623

Distribution of County Expenditures



County Government Expenditure Summary




Department Heads
Other Entities
Elected Officials
Budget Committee
CLB
County Legislative Body
Oversight Boards
Budget/ Finance Director

BUDGET CALENDAR

Feb 1
Deliver Forms to EO/DH

→

Mar 1
Return Forms

→

Apr 1
Budget Committee Votes

→

May 1
BOE Delivers Budget

↓

June 30
Budget Deadline

→

Aug 15
Notify OLGF

→

Aug 31
Continuation Budget Deadline

→

Sep 30
Deadline only if granted extension

CHART OF ACCOUNTS

Fund	Functions (Major Categories)	Object Codes
101 General Fund	51300 County Mayor	105 Supervisor/Director
116 Solid Waste/Sanitation	51600 Register of Deeds	201 Social Security
122 Drug Fund	52100 Accounts and Budgets	307 Communication
131 Highway/Public Works	54110 Sheriff	513 Workers' Comp. Insurance
151 Debt Service	54210 Jail	790 Other Equipment

BALANCED BUDGET FORMULA

Fund Balance + Revenues ≥ Expenditures

STRUCTURALLY BALANCED BUDGET FORMULA

Recurring Revenues	$\geq$	Recurring Expenditures

REVENUE

Recurring

- Property Tax
- Sales Tax
- Wheel Tax
- Gasoline/Motor Fuel Tax
- Fees/Taxes From Officials

Nonrecurring

- Grants
- Contributions/Donations
- Insurance Proceeds
- Sale of Property/Equipment
- One-Time State/Federal Funding

CTAS

FY25 HIGHWAY SOURCES OF REVENUE

FY24-25 Highway Fund Revenue: $536,588,499

- Property Taxes: 18.58%
- Local Option Sales Tax: 2.83%
- Wheel Tax: 5.64%
- Mineral Severance Tax: 1.28%
- Bridge Program: 1.36%
- State Aid Program: 14.27%
- Gasoline and Motor Fuel/Petroleum Special Tax: 46.42%
- Hybrid/Electric Vehicle Registration Fees: 0.56%
- All Others: 9.06%

EXPENDITURES

Recurring

- Personnel & Benefits
- Road & Bridge Materials
- Data Processing Software

Nonrecurring

- Asset Replacement
- Facility Maintenance
- One-Time Projects

Volunteer County, Tennessee
General Fund
Statement of Proposed Operations

Account No.	Description		Actual 2022-23		Estimated 2023-24		Budgeted 2024-2025
51300	**County Mayor/Executive**						
101	County Official/Administrative Officer	$	109,765	$	115,254	$	121,017
103	Assistant(s)		46,144		53,319		-
105	Supervisor/ Director		-		-		70,000
161	Secretary(s)		73,621		111,462		158,809
189	Other Salaries and Wages		3,800		3,804		-
201	Social Security		14,089		17,412		22,221
204	State Retirement		13,697		17,187		23,261
205	Employee And Dependent Insurance		26,719		17,818		18,144
210	Unemployment Compensation		101		300		540
212	Employer Medicare		3,295		4,072		5,200
307	Communication		2,903		2,900		2,900
317	Data Processing Services		85		1,800		1,800
320	Dues And Memberships		1,700		3,000		1,800
325	Fiscal Agent		-		-		8,575
334	Maintenance Agreements		2,402		3,000		3,000
348	Postal Charges		2,912		3,000		3,000
349	Printing, Stationery And Forms		1,121		1,100		1,000
355	Travel		1,928		1,955		2,500
435	Office Supplies		3,873		4,620		3,000
719	Office Equipment		2,566		1,000		2,000
	Total County Mayor/Executive	**$**	**310,721**	**$**	**363,003**	**$**	**448,767**

WHAT IS FUND BALANCE?

- Money remaining after annual revenues and expenditures.
- Provides a financial cushion for unexpected events.
- Supports cash flow and unexpected needs.
- Best suited for used for one-time, nonrecurring costs.

BUDGET PROCESS

PURCHASING

PRINCIPLES OF PURCHASING

- Maximum Competition
- Equal and Fair Competition
- Best Value at the Lowest Price

PURCHASING PROCESS

- Need
- Requisition
- Purchase Order
- Receiving Report

PURCHASING AUTHORITY

- General Law
- Private Act
- 1981/1957 Acts
- Charter/Metro
- County Uniform Highway Law

PURCHASING METHODS

- Informal Quotes
- Competitive Sealed Bids (ITB/IFBs)
- Competitive Sealed Proposals (RFPs)
- Request for Qualifications (RFQs)

SPECIFIC PURCHASING ISSUES

Secondhand Purchases
- Private Purchase
- Government Entity

Cooperatives
- Joint-Bid
- Piggyback

Emergency Purchases

Sole Source

Disposition of Surplus Property

Repair of Heavy Machinery

COMMON PURCHASING RED FLAGS

- Splitting purchases to avoid bidding.
- Purchasing before funds or approvals are in place.
- Unsupported sole-source or emergency purchases.
- Specifications written to favor one vendor.
- Failure to follow proper construction procedures.

INTERNAL CONTROLS

Requirement for Internal Controls & Fraud Reporting

INTERNAL CONTROLS

T.C.A. § 9-18-102

- Establish and maintain internal controls.
- Ensure obligations and costs comply with the law.
- Safeguard county funds and assets.
- Properly record revenues and expenditures.

FRAUD, WASTE & ABUSE REPORTING

T.C.A. §§ 8-4-501 et seq.

REPORT NO LATER THAN

5 WORKING DAYS

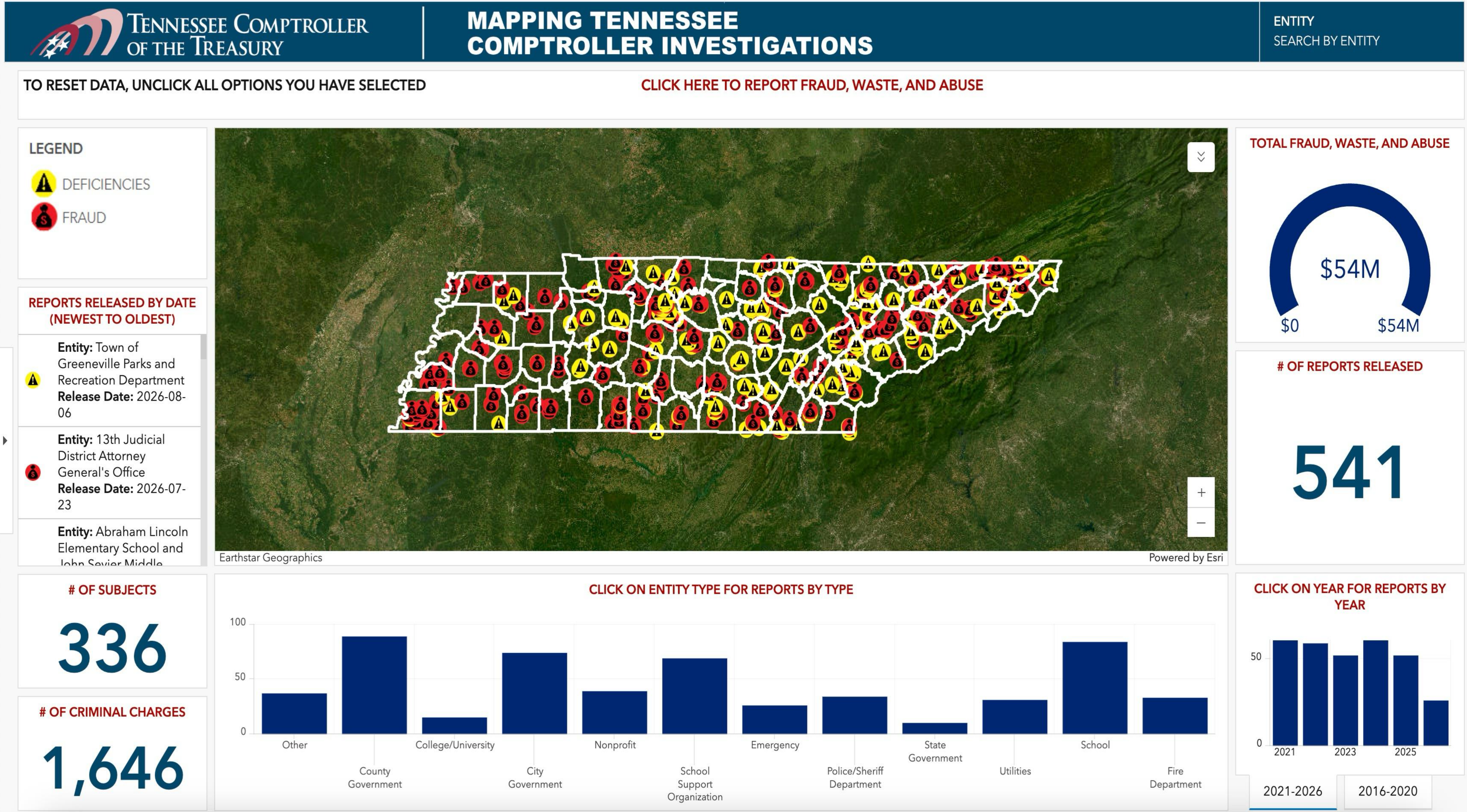
Report information that reasonably indicates unlawful conduct involving public resources to the Comptroller.

FRAUD, WASTE, AND ABUSE

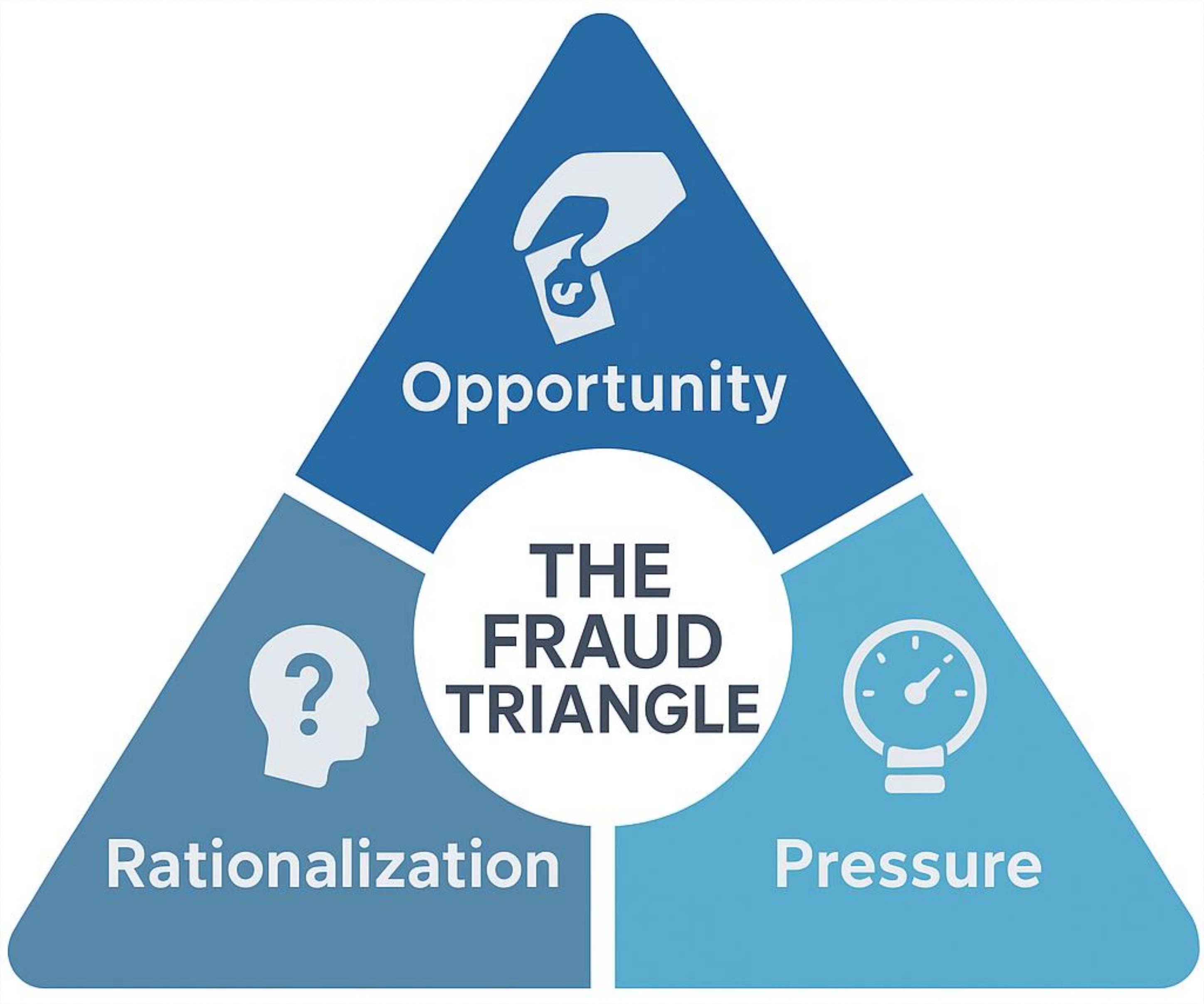
Fraud – deceit for gain

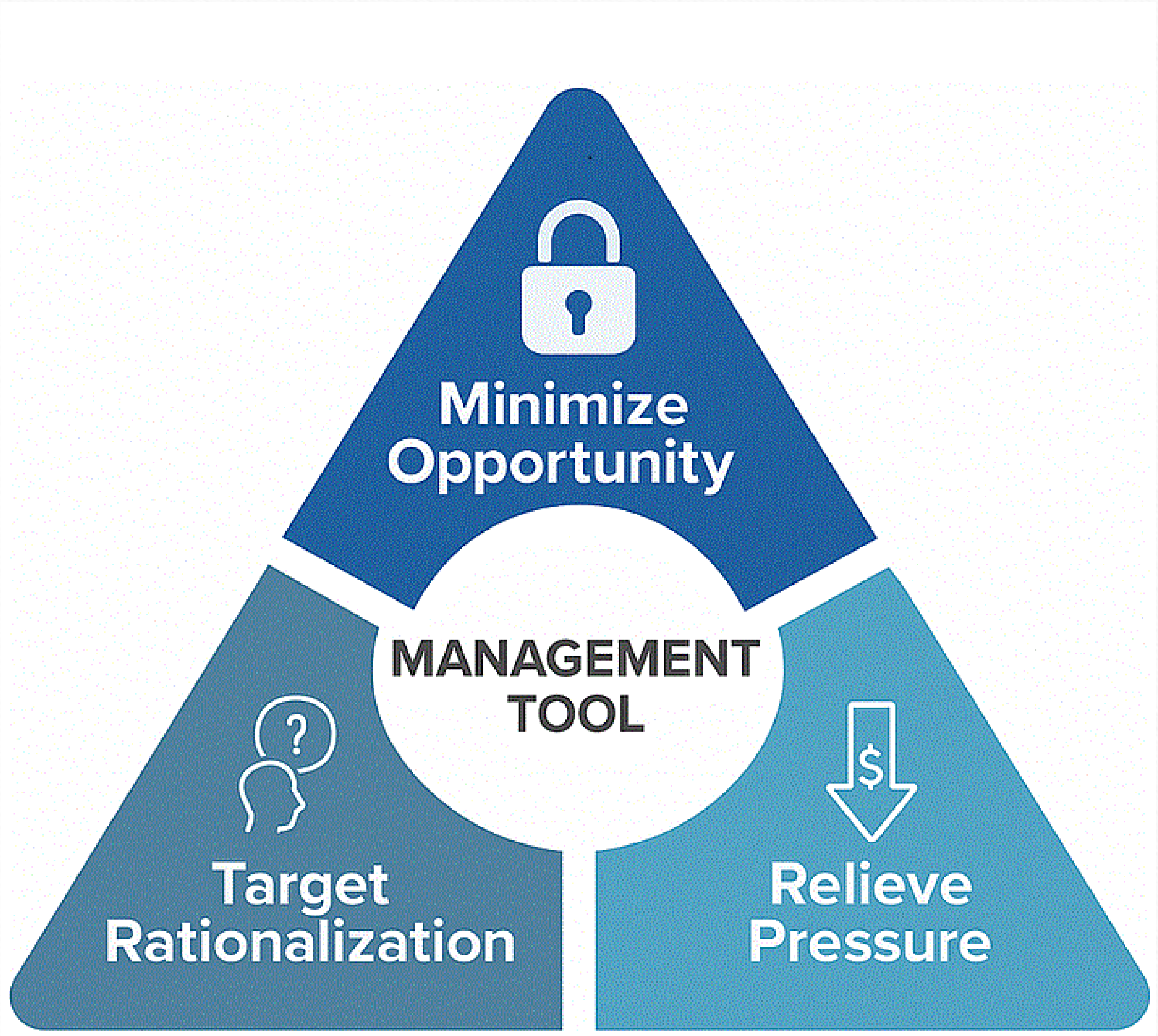
Waste – careless or inefficient use of resources

Abuse – improper use of resources or position



Tennessee Comptroller of the Treasury
MAPPING TENNESSEE COMPTROLLER INVESTIGATIONS
ENTITY
SEARCH BY ENTITY
TO RESET DATA, UNCLICK ALL OPTIONS YOU HAVE SELECTED
CLICK HERE TO REPORT FRAUD, WASTE, AND ABUSE
LEGEND
DEFICIENCIES
FRAUD
REPORTS RELEASED BY DATE (NEWEST TO OLDEST)
Entity: Town of Greeneville Parks and Recreation Department Release Date: 2026-08-06
Entity: 13th Judicial District Attorney General's Office Release Date: 2026-07-23
Entity: Abraham Lincoln Elementary School and John Sevier Middle
Earthstar Geographics
Powered by Esri
TOTAL FRAUD, WASTE, AND ABUSE
$54M
$0
$54M
OF REPORTS RELEASED
541
OF SUBJECTS
336
OF CRIMINAL CHARGES
1,646
CLICK ON ENTITY TYPE FOR REPORTS BY TYPE
100
50
0
Other
County Government
College/University
City Government
Nonprofit
School Support Organization
Emergency
Police/Sheriff Department
State Government
Utilities
School
Fire Department
CLICK ON YEAR FOR REPORTS BY YEAR
50
0
2021
2023
2025
2021-2026
2016-2020


Opportunity
THE FRAUD TRIANGLE
Rationalization
Pressure


Minimize Opportunity
MANAGEMENT TOOL
Target Rationalization
Relieve Pressure

ACFE Behavioral Red Flags

FINANCIAL MANAGEMENT

FINANCIAL MANAGEMENT ESSENTIALS

Know Your Financial Position

Monthly Reconciliations • Financial Statements • Budget Status

Keep Financial Operations on Track

Transaction Recording • Payroll and Taxes • Vendor Payments

Meet Compliance Requirements

Purchasing and Bidding • Grants and Contracts • Funding and Reimbursements

Support Transparency and Accountability

Clear Records • Internal Controls • Audit Readiness

ACTIVE FINANCIAL OVERSIGHT

Hire and Retain Qualified Staff

Provide Adequate Resources and Support

Review Financial Information and Ask Questions

Address Identified Issues Promptly

THE WORK CAN BE DELEGATED. ACCOUNTABILITY CANNOT.

QUESTIONS & ANSWERS