

ORDINANCE 2023-5

ORDINANCE TO ADOPT THE FISCAL YEAR 2024 OPERATING AND CAPITAL IMPROVEMENT BUDGETS
FOR THE CITY OF MILLINGTON AND TO ESTABLISH BUDGET RELATED PROCEDURES AND
CONTROLS

WHEREAS, Title IX, Sections 9.02 through 9.09 of the Millington Municipal Code establish requirements for the annual budget adoption process; and

WHEREAS, This budget has been prepared assuming the continuation of all municipal services and programs at historical levels funded with adequate revenues similar to historical revenues.

BE IT ORDAINED by the Board of Mayor and Alderman of the City of Millington, Tennessee that the city projects June 30, 2023 fund balances (equity in business terminology) for each Fund as follows:

OPERATING FUNDS

General Fund	\$ 15,982,815
State Street Aid Fund	\$ 150,849
State Drug Fund	\$73,978
DEA Drug Fund	\$ 57,413
Stormwater Fund	\$421,562
Sanitation Fund	\$ 898,390
Water Fund	\$ 11,373,517
Sewer Fund	\$ 18,800,784
General Purpose School Fund	\$ 13,200,973
School Federal Projects Fund	\$ 0
School Nutrition Fund	\$ 1,247,343

CAPITAL IMPROVEMENT FUNDS

Capital Improvement Program Fund	\$ 1,803,812
School Capital Projects Fund	\$ 2,084,037

BE IT FURTHER ORDAINED, That the Board of Mayor and Alderman of the City of Millington, Tennessee that fund budgets herein adopted expect to use fund balance, (appropriations and operating transfers out exceed the revenues and transfers in) for each fund in FY2024 as follows:

OPERATING BUDGETS

State Drug Fund	\$ 17,050
DEA Drug Fund	\$ 87,400
State Street Aid Fund	\$267,056
Capital Improvement Program Fund	\$ 2,497,066
School Capital Projects Fund	\$ 2,084,037

BE IT FURTHER ORDAINED, That the Board of Mayor and Alderman of the City of Millington, Tennessee project anticipated revenues for FY2024 from all sources for each Fund as follows:

OPERATING BUDGETS

General Fund	\$ 16,159,700
State Street Aid Fund	\$ 377,944
State Drug Fund	\$ 19,550
DEA Drug Fund	\$ 102,400
Storm Water Fund	\$ 429,550
Sanitation Fund	\$ 952,266
Water Fund	\$ 2,311,765
Sewer Fund	\$ 2,687,190
General Purpose School Fund	\$ 28,517,605
School Federal Projects Fund	\$ 2,571,264
School Nutrition Fund	\$ 2,128,659

CAPITAL IMPROVEMENT BUDGETS

Capital Improvement Program Fund	\$ 16,964,251
School Capital Projects Fund	\$ 466,737

BE IT FURTHER ORDAINED, That the Board of Mayor and Alderman of the City of Millington, Tennessee authorizes and appropriates operating transfers between funds for Fiscal Year 2024 as follows:

	Transfers In	Transfers Out
OPERATING BUDGETS		
General Fund	\$ 0	\$ 2,267,056
State Street Aid Fund	\$ 267,056	\$ 0
General Purpose School Fund	\$ 500,000	\$ 0
CAPITAL IMPROVEMENT BUDGETS		
Capital Improvement Program Fund	\$ 1,500,000	\$ 0

BE IT FURTHER ORDAINED, That the Board of Mayor and Alderman of the City of Millington, Tennessee adopts and appropriates the expenditure/expense budget for each fund for FY2024 as follows:

OPERATING BUDGETS	
General Fund	\$ 16,159,700
State Street Aid Fund	\$ 377,944
State Drug Fund	\$ 19,550
DEA Drug Fund	\$ 102,400
Storm Water Fund	\$ 429,550
Sanitation Fund	\$ 952,266
Water Fund	\$ 2,311,765
Sewer Fund	\$ 2,687,190
General Purpose School Fund	\$ 28,517,605
School Federal Projects Fund	\$ 2,571,264
School Nutrition Fund	\$ 2,128,659
CAPITAL IMPROVEMENT BUDGETS	
Capital Improvement Program Fund	\$ 16,964,251
School Capital Projects Fund	\$ 466,737

BE IT FURTHER ORDAINED, That the Board of Mayor and Alderman approve City Funding to Millington Municipal Schools in the amount of \$500,000.00 for operations, meeting the requirement for maintenance of effort.

BE IT FURTHER ORDAINED, That the Superintendent of Schools and the Board of Education shall adhere to the budget as approved and no action shall be taken to purchase goods or services that will cause any fund, office, or department to exceed its appropriations.

BE IT FURTHER ORDAINED, That the Superintendent of Schools, with any required approval of the Board of Education, may transfer funds between accounts within each fund and establish new accounts as necessary to properly account for the School District’s finances in accordance with generally accepted accounting principles as long as the total appropriations or revenues of each individual fund is not increased or decreased.

BE IT FURTHER ORDAINED, That the Superintendent of Schools and the Schools Finance Director are authorized to increase the Schools Budget for grant revenues and expenditures once a grant has been awarded to the Schools and accepted by Resolution of the School Board if no matching funds are required or if adequate matching funds are available in the already appropriated budget. The Schools Finance Director shall provide written notice to the City Finance Director of the changes to their budget.

BE IT FURTHER ORDAINED, That the Board of Education with the assistance of the Superintendent of Schools and School’s Finance Director shall submit monthly reports of revenue received and expenditures incurred to the City Finance Director.

BE IT FURTHER ORDAINED, That Operating Budgets are appropriated on a fiscal year basis, appropriations expire as of June 30 each year and any goods or services not received as of June 30 must be purchased from the new fiscal year budget, except those appropriations associated with purchase of fixed assets shall carry-forward. The FY23 or FY24, as appropriate, expenditure budget shall be increased equal to any outstanding encumbrance for the purchase of a fixed asset with an equal increase to the funding source (grant or planned use of fund balance).

BE IT FURTHER ORDAINED, That Capital Projects, except Schools, are authorized on a "project" basis and the appropriation expires on completion or cancellation of the project. The FY24 Capital Budget shall be increased for the unexpended portion of any appropriated project budgets as of June 30, 2023 with a corresponding amendment for the appropriate funding source. Projects shown in FY25 through FY28 for the Capital Improvement Program Fund and Schools Capital Projects Fund are preliminary needs but not approved until the budget for that fiscal year is approved.

BE IT FURTHER ORDAINED, That each office, department, and Elected Official, excluding Schools, which receives appropriations from the City shall adhere to the budget as approved and that no action shall be taken to purchase goods or services that will cause any fund, office, department or Elected Official to exceed its appropriations and that no personnel shall be hired or compensated, including any adjustments for any previous personnel actions found not to be in compliance with previous policy, unless provided for in this budget.

BE IT FURTHER ORDAINED, That the Finance Director is authorized to transfer funds between accounts and to establish new accounts as necessary to properly account for the City's finances in accordance with generally accepted accounting principles as long as the total appropriations or revenues for any fund is not increased or decreased. Budget transfers may be requested by Department Directors or the City Manager and shall be approved by both the Finance Director and City Manager.

BE IT FURTHER ORDAINED, That the City Manager and Finance Director are authorized to increase the budget for grant revenues and expenditures once a grant has been awarded to the City and accepted by resolution of the Board of Mayor and Aldermen if no matching funds are required or if adequate matching funds are available in the already appropriated budget and for pay supplements from the State for employees of the Fire and Police Departments.

BE IT FURTHER ORDAINED, That the Police Chief and Fire Chief is authorized to accept donations from individuals, businesses, civic and charitable organizations and foundations of up to \$4,500.00 per donation for Police and Fire Services, respectively. Such donations shall not be restricted by the donor except as to use for the public purpose of that department. Such donations shall be deposited to the City General Fund. The City Clerk shall acknowledge such donations in writing if required by the donor for tax purposes. The City Manager and Finance Director are authorized to increase the budget for these donations and to increase the appropriate expenditure accounts in a like amount each time a donation is received. Any donated funds received during a year and remaining unexpended at year-end shall be reported as committed fund balance and the following year's budget shall be increased as planned use of fund balance and the appropriate expenditure account.

BE IT FURTHER ORDAINED, That the City Manager and Finance Director are authorized to track the amount of funds collected by the Millington Library for lost or damaged books and to increase the General Fund budget revenue and the appropriate expenditure account in a like amount for these funds in order to allow the books to be replaced in a timely manner.

BE IT FURTHER ORDAINED, That a financial plan with detailed revenue, expenditure and transfers accounts shall be prepared in support of the budget and shall include a listing by classification and number of approved full-time positions for each department and such document shall be attached hereto as Exhibit A.

BE IT FURTHER ORDAINED, That employees may only be hired and paid to the extent that funds have been included in the Fiscal Year 2024 Operating Budget. To the extent that a full-time position is vacant or in a leave without pay status, a part-time or temporary employee may be hired with those available funds. All compensation and classification of positions shall be in compliance with the Compensation Policy separately adopted by the Board.

BE IT FURTHER ORDAINED, That the Board of Mayor and Aldermen hereby establish a Financial Stabilization Account (committed General Fund Balance) at no less than 30% of the next fiscal year's appropriations, an Emergency Account (committed General Fund Balance) in the amount of \$1,000,000 and a Library Account (committed General Fund Balance) in an amount equal to 50% of collections from the red light camera/speed van violations beginning in FY12, less any expenditures that have been made from said funds. Below this level, unspent budgets will accrue toward this. Amounts above this level may be used as directed by the Board.

BE IT FURTHER ORDAINED, That any rate or fee established by previous resolution, ordinance or administrative action will remain in effect unless amended in the same manner as originally adopted.

BE IT FURTHER ORDAINED, That a grant to the Millington Chamber of Commerce in the amount not to exceed \$25,000 is hereby appropriated to promote the general welfare of the residents of the City of Millington and that disbursements of these funds shall not be made until the individual non-profit civic organization has fully complied with T. C. A. Section 6-54-111 et.seq.

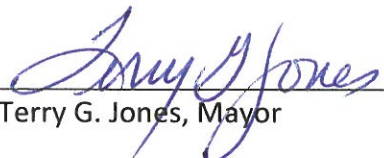
BE IT FURTHER ORDAINED, That a grant to the Millington Y.M.C.A. in the amount not to exceed \$20,000 is hereby appropriated to promote the general welfare of the residents of the City of Millington and that disbursements of these funds shall not be made until the individual non-profit civic organization has fully complied with T. C. A. Section 6-54-111 et seq.

BE IT FURTHER ORDAINED, That the City Manager with the assistance of the Finance Director shall submit monthly reports of revenue received and expenditures incurred to the Board of Mayor and Alderman.

BE IT FURTHER ORDAINED, That all Ordinances heretofore passed in conflict herewith are hereby repealed insofar as they are in conflict with this Ordinance.

BE IT FURTHER ORDAINED, That this Ordinance shall take effect upon its second and final passage.

Public Hearing: June 12, 2023
First Reading: May 8, 2023
Second Reading: June 12, 2023


Terry G. Jones, Mayor


Karen Findley, City Clerk