

ORDINANCE No. 2024-7

**AN ORDINANCE OF THE
CITY OF MILLINGTON, TENNESSEE
ADOPTING THE ANNUAL BUDGET AND TAX RATE
FOR THE FISCAL YEAR BEGINNING JULY 1, 2024 AND ENDING JUNE 30, 2025**

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 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 ten (10) days prior to the meeting where the Board will consider final passage of the budget.

NOW THEREFORE BE IT ORDAINED BY THE GOVERNING BODY OF THE CITY OF MILLINGTON, 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 2024, 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:

Operating Budget - General Fund Revenues

Category	FY 2023 Actual	FY 2024 Forecast	FY 2025 Estimate
General Fund 110			
Local Taxes	12,017,682	12,180,800	12,535,800
Licenses & Permits	535,107	470,200	484,500
Intergovernmental Revenue	2,459,750	2,281,600	5,065,633
Charges for Services	185,465	420,400	435,800
Fines, Forfeitures & Penalties	412,038	342,100	346,500
Grants	68,350	23,118	135,000
Interest on Investments	55,881	60,000	60,000
Other Income	332,506	281,728	81,000
Planned Use of Fund Balance	-	-	-
Total	16,066,779	16,059,946	19,144,233

Expenditures

Finance and Administration

	<i>Total Finance and Administration</i>	4,067,281	5,666,111	5,155,126
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Police

	<i>Total Police</i>	2,816,049	3,244,530	4,384,893
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Fire

	<i>Total Fire</i>	3,510,367	3,598,077	3,930,900
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Public Works

	<i>Total Public Works</i>	787,969	931,272	1,269,123
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Parks & Recreation

	<i>Total Parks & Recreation</i>	818,312	1,007,783	1,497,152
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Debt Service

	<i>Total Debt Service</i>	1,314,443	1,439,372	1,443,539
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	<i>Total Expenditures</i>	13,314,421	15,887,145	17,680,733
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Transfer to/from Streets Fund

		90,198	213,500
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Transfer to/from CIP Fund

		-	750,000
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Transfer to/from Schools - Debt Payment

	690,657	-	-
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Transfer to/from Schools Fund (MOE)

	500,000	500,000	500,000
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Total Transfers

	1,190,657		
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Total Expenditures and Transfers

	14,505,078	16,477,343	19,144,233
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Surplus/(Deficit)

	1,561,701	(417,397)	-
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Fund Balance as of June 30

	20,073,983	19,656,586	19,656,586
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115 State Drug Fund

Category	FY 2023 Actual	FY 2024 Forecast	FY 2025 Request
Revenues	650	12,900	17,650
Operations	3,449	12,900	17,650
Net From Operations	(2,799)	(0)	0
Planned use of P/Y funds (contained in Revenues)	0	9,543	14,150
June 30 Fund Balance	86,943	77,400	63,250

120 DEA Drug Fund

Category	FY 2023 Actual	FY 2024 Forecast	FY 2025 Request
Revenues	127,571	51,970	100,000
Operations	61,579	51,970	100,000
Net From Operations	65,992	(0)	0
Planned use of P/Y funds (contained in Revenues)		28,128	75,960
June 30 Fund Balance	149,471	121,343	45,383

121 State Street Aid Fund

Category	FY 2023 Actual	FY 2024 Forecast	FY 2025 Request
Revenues	387,038	408,294	395,000
Operations	444,570	498,492	608,500
Transfers	0	(90,198)	(213,500)
Total Expenditures and Transfers	444,570	408,294	395,000
Net from Operations	(57,532)	0	0
June 30 Fund Balance	89,606	89,606	89,606

125 Stormwater Fund

Category	FY 2023 Actual	FY 2024 Forecast	FY 2025 Request
Revenues	418,494	403,599	450,170
Personnel	226,350	191,496	248,070
Operations	81,936	42,982	202,100
Net From Operations	110,208	169,122	0
Planned Use of P/Y Funds (contained in Revenues)	0	0	40,470
June 30 Fund Balance	625,844	794,966	754,496

131 Sanitation Fund

Solid Waste Collection

Category	FY 2023 Actual	FY 2024 Forecast	FY 2025 Request
Revenues	954,440	998,734	981,770
Personnel	535,540	595,448	701,270
Operations	381,263	397,545	280,500
Net From Operations	37,637	5,741	-
Planned use of P/Y Funds (contained in Revenues)			32,470
June 30 Fund Balance	913,847	919,588	887,118

141 General Purpose School Fund

Category	FY 2023 Actual	FY 2024 Estimated Forecast	FY 2025 Requested Budget
Revenues - Others	27,374,173	31,641,502	31,656,805
Revenues - City Funding	1,190,657	500,000	500,000
Total Revenues	28,564,830	32,141,502	32,156,805
Operations	25,944,468	28,286,865	32,156,805
Net From Operations	2,620,362	3,854,637	0
Fund Balance	14,999,172	18,853,809	18,853,808

142 Federal Fund			
Category	FY 2023 Actual	FY 2024 Estimated Forecast	FY 2025 Requested Budget
Revenues	6,207,604	3,185,831	1,628,778
Operations	6,207,604	3,185,831	1,628,778
Net From Operations	0	0	0
Fund Balance	0	0	0

143 Nutrition Fund			
Category	FY 2023 Actual	FY 2024 Estimated Forecast	FY 2025 Requested Budget
Revenues	2,214,838	2,484,424	2,231,570
Operations	2,211,696	2,484,424	2,231,570
Net From Operations	3,142	0	0
Fund Balance	1,250,487	1,250,487	1,250,487

177 School Capital Projects Fund			
Category	FY 2023 Actual	FY 2024 Estimated Forecast	FY 2025 Requested Budget
Revenues	1,732,323	3,433,305	500,000
Capital Expenditures	1,728,695	3,433,305	500,000
Transfers	0	0	0
Net	3,628	0	0
Fund Balance	2,020,641	2,020,641	2,020,641

411 Water Department

Plant (52101) & System (52102)

Category	FY 2023 Actual	FY 2024 Forecast	FY 2025 Request
Revenues	2,111,634	2,423,406	2,378,070
Personnel	544,969	579,248	641,452
Operations	982,644	1,059,202	1,736,618
Net From Operations	584,021	784,956	(0)
Retained Earnings Use (contained in Revenues)	0	0	0
June 30 Net Position	10,903,820	11,688,776	11,688,776

412 Sewer Department

Plant (52201) & System (52202)

Category	FY 2023 Actual	FY 2024 Forecast	FY 2025 Request
Revenues	2,633,155	2,408,386	2,912,369
Personnel	637,679	602,552	760,470
Operations	1,315,870	1,293,541	2,151,899
Net from Operations	679,606	512,293	0
Retained Earnings Use (contained in Revenues)	0	0	416,369
June 30 Net Position	19,881,091	20,393,384	19,977,015

300 Capital Improvements Fund

Category	FY 2023 Actual	FY 2024 Forecast	FY 2025 Request
Revenues	2,986,691	7,777,743	9,802,356
Capital Expenditures	5,669,162	4,217,247	10,552,356
Net Transfers	0	350,000	(750,000)
Net	(2,682,471)	3,210,496	0
Planned use of Fund Balance <i>(contained in Revenues)</i>	0	0	3,126,338
June 30 Fund Balance	3,089,606	407,135	3,617,631
			491,293

303 CIP - Middle School Project - USDA Loan Fund

Category	FY 2023 Actual	FY 2024 Forecast	FY 2025 Request
Revenues	0	26,000,000	18,200,000
Capital Expenditures	0	0	1,196,400
Net Transfers	0	0	17,003,600
Net	0	26,000,000	0
Planned use of Fund Balance <i>(contained in Revenues)</i>	0	0	17,300,000
June 30 Fund Balance	0	0	26,000,000
			8,700,000

SECTION 2: At the end of the fiscal year 2025, the governing body estimates fund balances or deficits as follows:

Fund	Estimated Fund Balance/Net Position at June 30, 2025
110 General Fund	19,656,586
115 State Drug Fund	63,250
120 DEA Drug Fund	45,383
121 State Street Aid Fund	89,606
125 Stormwater Fund	754,496
131 Sanitation Fund	887,117
141 General Purpose School Fund	18,853,808
142 Federal Fund	-
143 Nutrition Fund	1,250,487
177 School Capital Projects Fund	2,020,641
300 Capital Improvements Fund	491,293
303 CIP - Middle School Project - USDA Loan Fund	8,700,000
411 Water Department	11,688,776
412 Sewer Department	19,977,015

SECTION 3: That the governing body herein certifies that the condition of its sinking funds, if applicable, are compliant pursuant to its bond covenants, and recognizes that the municipality has outstanding bonded and other indebtedness as follows:

						FY 2025 Debt Service Payments		
		Issued and Not Drawn	Amount Outstanding at 6/30/24	Interest Rate	Payment Fund	Principal	Interest	Total Debt Service
Loan Agreements - General Government - General Fund								
1	\$1,150,000 TMBF / 20 Year Loan Agreement from First Horizon Bank NA through TML, issued May 2013	-	594,000	2.90%	General Fund	59,000	17,226	76,226
2	6,000,000 TMBF / 20 Year Loan Agreement from First Horizon Bank NA through TML, issued September 2015	-	3,746,600	3.02%	General Fund	457,800	106,235	564,035
3	20 Year Loan Agreement from First Farmers and Merchants Bank through TML, issued May 6, 2021 / TMBF	-	5,490,000	2.45%	General Fund	264,000	134,505	398,505
4	15 Year Refunding Loan Agreement from Security Bank and Trust Company through TML, issued June 1, 2021 / TMBF		2,890,000	2.46%	General Fund	210,000	71,094	281,094
Total General Government Loan Agreements		-	12,720,600			990,800	329,060	1,319,860
Loan Agreements - Schools - General Fund - General Purpose Schools								
5	18 Year Refunding Loan Agreement for Schools Only from Security Bank and Trust Company through TML, issued October 29, 2020 / TMBF		1,655,000	2.46%	General Purpose School Fund	84,000	39,680	123,680
8	Interim financing for 40 year \$26,000,000 USDA Loan for schools issued May 9, 2024. Only interest will be paid during construction and interest will be capitalized.		26,000,000	4.60%	General Purpose School Fund	-	1,196,000	1,196,000
Total Schools Loan Agreements		-	27,655,000			84,000	1,235,680	1,319,680
Total Loan Agreements backed by General Government			40,375,600			1,074,800	1,564,740	2,639,540
Loan Agreement - Water Fund - Enterprise Fund -								
6	25 Year Loan Agreement from through TML, issued May 25, 2021 (Revenue Bond backed issue with GO Pledge)	9,215,000	3,906,000	2.48%	Water Fund	456,000	96,869	552,869
Total Water Fund Loans		9,215,000	3,906,000			456,000	96,869	552,869
State Revolving Loan Fund - Sewer Fund - Enterprise Fund								
7	State Revolving Loan Fund - SRF 11-271 approved November 1, 2011 for renovations at Sewer Plant	-	1,629,862	1.49%	Sewer Fund	140,244	22,080	162,324
Total Sewer Fund Loans		-	1,629,862			140,244	22,080	162,324
Total Enterprise Fund Loans		9,215,000	5,535,862	-		596,244	118,949	715,193
Total Outstanding Debt		\$ 9,215,000	\$ 45,911,462			\$ 1,671,044	\$1,683,689	\$ 3,354,733

SECTION 4: During the coming fiscal year (2025) the governing body has pending and planned capital projects with proposed funding as follows:

Pending Capital Projects	Pending Capital Projects - Total Expense	Pending Capital Projects Expense Financed by Estimated Revenues and/or Reserves	Pending Capital Projects Expense Financed by Debt Proceeds
Public Works			
Wilkinsville Connector Road NEPA/Design	200,000	170,000	30,000
Highway 51 at Big Creek Church TS NEPA/Design/Row	81,941	69,650	12,291
Paving City Streets	1,000,000	20,284	979,716
City Match - SC Resiliency Grant	955,000	715,200	239,800
Big Creek Church Rd Paving	1,199,000	1,149,065	49,935
US 51 Multimodal (95%)	998,700	908,660	90,040
ADA Improvements from Veterans to Bethuel on Navy Rd	450,200	366,536	83,664
Wilkinsville Road (Us-51 To Veterans) Repaving	418,320	418,320	
Wilkinsville Road Repaving NEPA/Design	43,091	(160,108)	203,199
Easley & Shelby Repaving	1,015,995	1,015,995	
Navy Rd Streetscape Phase II.02	2,613,380	2,579,971	33,409
Raleigh Millington Road Repaving NEPA/Design	222,729	222,729	
MLGW LED Lighting	680,000	680,000	
ADA Improvements - Fire Admin/Station 1	6,000	6,000	
Fire Department			
Fire Trucks	750,000	750,000	
Parks and Recreation			
Park Renovations & Upgrades to Playground Equipment	30,000	30,000	
R&M Grounds & Improvements - Lions park walking trail repave	38,000	38,000	
R&M Grounds & Improvements - Repaving Orgill Boat Ramp Parking	120,000	120,000	
Roads, Street and Parking Lot - Millington Gym Repave & Expansion	100,000	100,000	

Parks & Rec Facilities - Aycock Play Structure - 2 bay swing and playground	120,000	120,000	
Parks & Rec Facilities - Orgill Golf Course Repaving	270,000	270,000	
General			
Blight Removal	20,000	20,000	
Schools			
Middle School Project - USDA Loan	26,000,000	26,000,000	
Water			
MW2202 South WTP Expansion	3,632,000	-	3,632,000
MW2403 Fresh Water Well at S Plant	2,000,000	1,782,000	218,000
MW2406 Fire Training (Water Navy to City)	88,688	-	88,688
Sewer			
MS2405 Northfork Sewer Line Extention	991,200	991,200	
Fire Training (Sewer from Navy to City)	142,992	142,992	

*Fund 303 - Middle School Project - USDA Loan is a new fund which is included in the Fiscal 2024-2025 Budget. Approval for the creation and inclusion of this fund is hereby given.

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: Money may be transferred from one appropriation to another in the same fund upon approval of the City Manager 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.

SECTION 7: A detailed financial plan is contained in the budget and becomes part of this budget ordinance.

SECTION 8: There is hereby levied a property tax of \$1.40 per \$100 of assessed value on all real and personal property.

SECTION 9: 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

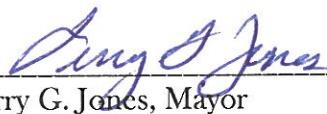
Designee determines that the budget does not comply with the Statutes, the Governing Body shall adjust its estimates or make additional tax levies sufficient to comply with the Statutes or as directed by the Comptroller of the Treasury or Comptroller's Designee.

SECTION 10: All unencumbered balances of appropriations remaining at the end of the fiscal year shall lapse and revert to the respective fund balances.

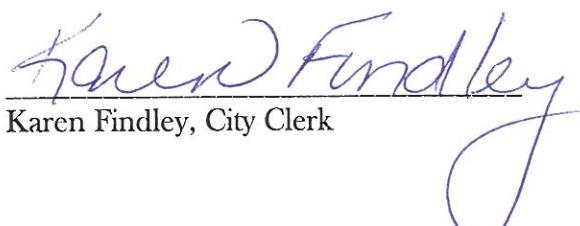
SECTION 11: All ordinances or parts of ordinances in conflict with any provision of this ordinance are hereby repealed.

SECTION 12: This ordinance shall take effect July 1, 2024, the public welfare requiring it.

Public Hearing: June 10, 2024
First Reading: May 13, 2024
Final Reading: June 10, 2024



Terry G. Jones, Mayor



Karen Findley, City Clerk