

ORDINANCE 2025-8

AN ORDINANCE OF THE
CITY OF MILLINGTON, TENNESSEE
ADOPTING THE ANNUAL BUDGET AND TAX RATE
FOR THE FISCAL YEAR (FY26) BEGINNING JULY 1, 2025 AND ENDING JUNE 30, 2026

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 2025, 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:

Name	FY24 Actual	FY25 Forecast	FY26 Budget	Revenue	Surplus (Deficit)
110 General Fund					
Finance and Administration	1,159,563	1,564,572	2,695,741		
General Government	519,548	505,481	668,000		
Courts	194,480	208,924	249,719		
Planning and Economic Development	235,332	303,236	459,937		
Personnel	7,044	12,838	19,600		
Library	391,212	405,004	466,302		
Special Projects	2,992,859	-	-		
Police	3,220,883	4,266,683	5,049,683		
Fire	3,427,819	4,186,295	4,895,638		
Public Wks - Admin/Shop	434,584	336,889	604,987		
Support Services	43,838	61,291	188,385		
Operations/Streets	344,058	313,407	529,630		
Streets/Parks	9,646	186,190	185,100		
P&R Admin and Programs	429,487	509,476	802,213		
Athletic Programs	23,385	22,282	53,500		
Park Sports Fields	41,189	49,193	61,500		
Baker Community Center	46,495	57,679	76,500		
Farmers Market/Discovery Park	11,297	13,930	16,800		
Orgill Park and Golf Course	509,697	534,160	723,449		
Debt Service	1,257,571	1,346,097	1,442,789		
Transfer to SSA	100,000	120,000	120,000		
Transfer to CIP	-	750,000	2,525,000		
Transfer to Schools (MOE)	500,000	500,000	500,000		
110 Totals	15,899,987	16,253,627	22,334,473	\$ 22,358,897	\$ 24,424
110 FUND BALANCE	21,673,987	24,221,797	24,246,221		

Name	FY24 Actual	FY25 Forecast	FY26 Request	Revenue	Surplus (Deficit)
115 State Drug Fund					
State Drug Abuse Program	1,573	1,902	17,150		
115 Totals	1,573	1,902	17,150	\$ 5,200	\$ (11,950)
115 FUND BALANCE	90,530	91,828	79,878		
120 DEA Drug Fund					
DEA Program	46,161	88,280	100,000		
120 Totals	46,161	88,280	100,000	\$ 42,040	\$ (57,960)
120 FUND BALANCE	149,471	125,529	67,569		
121 State Street Aid Fund					
State Street Aid	518,291	433,577	551,300		
Transfer from Gen Fund	(100,000)	(120,000)	(120,000)		
121 Totals	418,291	313,577	431,300	\$ 431,300	\$ -
121 FUND BALANCE	89,606	185,823	185,823		
125 Stormwater Fund					
Stormwater Department	241,630	193,816	474,487		
125 Totals	241,630	193,816	474,487	\$ 434,156	\$ (40,331)
125 FUND BALANCE	789,041	771,713	731,382		
131 Sanitation Fund					
Sanitation Department	929,611	1,050,822	1,474,218		
131 Totals	929,611	1,050,822	1,474,218	\$ 1,054,176	\$ (420,042)
131 FUND BALANCE	913,847	861,759	441,717		
141 General Purpose School Fund					
General Purpose School Fund	29,455,812	33,196,103	33,062,102		
141 Totals	29,455,812	33,196,103	33,062,102	\$ 33,062,102	\$ -
141 FUND BALANCE	18,741,425	18,741,425	18,741,425		
142 Federal Fund					
School Federal Fund	3,141,793	2,471,792	1,579,828		
141 Totals	3,141,793	2,471,792	1,579,828	\$ 1,579,828	\$ -
141 FUND BALANCE					
143 Nutrition Fund					
School Nutrition Fund	2,154,179	2,408,260	2,392,962		
143 Totals	2,154,179	2,408,260	2,392,962	\$ 2,392,962	\$ -
143 FUND BALANCE	1,460,480	1,460,480	1,460,480		
177 School Capital Projects Fund					
School Capital Projects Fund	3,252,917	1,917,886	822,643		
177 Totals	3,252,917	1,917,886	822,643	\$ 822,643	\$ -
177 FUND BALANCE	1,228,741	1,228,741	1,228,741		
411 Water Fund					
Water Plant	1,067,961	1,331,707	1,763,485		
Water System	415,353	499,726	794,315		
411 Totals	1,483,314	1,831,433	2,557,800	\$ 3,007,023	\$ 449,223
411 NET POSITION	10,903,820	12,083,090	12,532,313		
412 Sewer Fund					
Sewer Plant	1,354,381	1,730,048	2,124,037		
Sewer System	68,272	412,248	358,929		
412 Totals	1,422,653	2,142,296	2,482,966	\$ 3,107,962	\$ 624,996
412 NET POSITION	19,881,091	21,138,156	21,763,152		
300 CIP	5,304,842	4,036,301	7,663,344	\$ 3,905,604	\$ (3,757,740)
300 FUND BALANCE	3,663,136	4,116,594	358,854		
303 MiddleSchool CIP			996,656	18,196,100	\$ 815,000
300 FUND BALANCE	25,491,770	24,495,114	7,114,014		\$ (17,381,100)

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
110 General Fund	24,246,221
115 State Drug Fund	79,878
120 DEA Drug Fund	67,569
121 State Street Aid Fund	185,823
125 Stormwater Fund	731,382
131 Sanitation Fund	441,717
141 General Purpose School Fund	18,741,425
142 Federal Fund	-
143 Nutrition Fund	1,460,480
177 School Capital Projects Fund	1,228,741
300 Capital Improvements Fund	358,854
303 CIP - Middle School Project - USDA Loan Fund	7,114,014
411 Water Department	12,532,313
412 Sewer Department	21,763,152

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:

Outstanding Debt as of June 30, 2025 and FY 2026 Debt Service Payments																															
		Issued and Not Drawn	Amount Outstanding at 6/30/25	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	-	535,000	2.90%	General Fund	61,000	15,515	76,515																							
2	6,000,000 TMBF / 20 Year Loan Agreement from First Horizon Bank NA through TML, issued September 2015	-	3,288,800	3.02%	General Fund	469,500	92,232	561,732																							
3	20 Year Loan Agreement from First Farmers and Merchants Bank through TML, issued May 6, 2021 / TMBF	-	5,226,000	2.45%	General Fund	271,000	128,037	399,037																							
4	15 Year Refunding Loan Agreement from Security Bank and Trust Company through TML, issued June 1, 2021 / TMBF		2,680,000	2.46%	General Fund	215,000	65,928	280,928																							
Total General Government Loan Agreements		-	11,729,800			1,016,500	301,712	1,318,212																							
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 / TMFB		1,571,000	2.46%	General Purpose School Fund	87,000	37,577	124,577																							
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		-	27,571,000			87,000	1,233,577	1,320,577																							
Total Loan Agreements backed by General Government			39,300,800			1,103,500	1,535,289	2,638,789																							
Loan Agreement - Water Fund - Enterprise Fund -																															
6	25 Year Loan Agreement from TML, issued May 25, 2021 (Revenue Bond backed issue with GO Pledge)	5,415,000	7,250,000	2.48%	Water Fund	467,000	314,092	781,092																							
Total Water Fund Loans		5,415,000	7,250,000			467,000	314,092	781,092																							
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	-	1,489,618	1.49%	Sewer Fund	142,236	21,228	163,464																							
Total Sewer Fund Loans		-	1,489,618			142,236	21,228	163,464																							
Total Enterprise Fund Loans		5,415,000	8,739,618	-		609,236	335,320	944,556																							
Total Outstanding Debt		\$ 5,415,000	\$ 48,040,418			\$ 1,712,736	\$ 1,870,609	\$ 3,583,345																							
<table border="1"> <thead> <tr> <th>Recap</th> <th>Principal</th> <th>Interest</th> <th>Combined</th> </tr> </thead> <tbody> <tr> <td>General Fund</td> <td>\$ 1,016,500</td> <td>\$ 301,712</td> <td>\$ 1,318,212</td> </tr> <tr> <td>General Purpose School Fund</td> <td>87,000</td> <td>1,233,577</td> <td>1,320,577</td> </tr> <tr> <td>Water Fund</td> <td>467,000</td> <td>314,092</td> <td>781,092</td> </tr> <tr> <td>Sewer Fund</td> <td>142,236</td> <td>21,228</td> <td>163,464</td> </tr> <tr> <td>Total</td> <td>\$ 1,712,736</td> <td>\$ 1,870,609</td> <td>\$ 3,583,345</td> </tr> </tbody> </table>								Recap	Principal	Interest	Combined	General Fund	\$ 1,016,500	\$ 301,712	\$ 1,318,212	General Purpose School Fund	87,000	1,233,577	1,320,577	Water Fund	467,000	314,092	781,092	Sewer Fund	142,236	21,228	163,464	Total	\$ 1,712,736	\$ 1,870,609	\$ 3,583,345
Recap	Principal	Interest	Combined																												
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Total	\$ 1,712,736	\$ 1,870,609	\$ 3,583,345																												

SECTION 4: During the coming fiscal year (2026) the governing body has pending and planned capital projects with proposed funding as follows:

Pending Capital Projects	Pending Capital Projects Expense Total Estimated Revenues and/or Reserves	Pending Capital Projects Expense Total Debt Proceeds
Planning & Community Development		
Economic & Community Dev. - Projects	618,000	618,000
Eco. Dev. - Master Plan	275,000	275,000
Eco. Dev. - Lone Sailor Monument	50,000	50,000
Public Works Expenditures		
MPO Jack Huffman Blvd/Newport Resurface 80/20	75,421	75,421
Paving City Streets	790,000	790,000
PIN 130915 Navy Rd ADA - Vets-Bethuel (80/20)	294,361	294,361
PIN 134255 Wilkinsville Road (Us-51 To W Union) Repaving	1,102,768	1,102,768
PIN 130917 Easley & Shelby Repaving	134,719	134,719
PIN 123166.02 Navy Rd Streetscape Phase II.02 100/0	706,920	706,920
PIN 134257 Ral-Mill Repave/Bateman to Church St	122,446	122,446
PIN 134909 Wilkinsville Rd Connector 134909	122,619	122,619
PIN 134258 Traffic Signal Hwy51 @ Big Creek Church (100/0)	1,824,090	1,824,090
Property Maintenance - City Deferred Maintenance	100,000	100,000
Other Improvements - City Deferred Capital Maintenance	250,000	250,000
MLGW LED Lighting*	700,000	700,000
Sidewalk Improvements/Maintenance	50,000	50,000
Fire		
Relocate/Replace Fire Station #1	500,000	500,000
Fire Fighting Vehicles (Fire Pumper)	850,000	850,000
Police		
Police Cars	310,000	310,000
Police Station Improvements	45,000	45,000
Police - Weapon Replacement	60,000	60,000
Library		
Library Improvements - Outdoor Classroom	20,000	20,000
Parks and Recreation		
Park Renovations & Upgrades to Playground Equipment	127,000	127,000
Lions Park Playground	50,000	50,000
Parks & Rec Facilities - Dog Park	75,000	75,000
Parks & Rec Facilities - Jack Huffman Greenspace Improvements	150,000	150,000
Ed Haley Sports Complex Improvements	125,000	125,000
R&M Grounds & Improvements - Sports Complex Upgrades	200,000	200,000
Parks & Rec Facilities - USA Stadium Partnership	150,000	150,000
General		
Transportation Equipment (Vehicles)	60,000	60,000
Schools		
177 School CIP	822,643	822,643
303 Middle Schools Project	18,196,100	18,196,100
Water		
MW2202 South WTP Expansion	3,632,000	3,632,000
MW2403 Fresh Water Well at S Plant	2,000,000	2,000,000
MW2406 Fire Training (Water Navy to City)	88,688	88,688
Water Line Restoration (3 year plan)	4,311,250	4,311,250
South Water Plant Operations Building	350,000	350,000
Stabilize N Water Plant (necessary for S. Plant)	283,000	283,000
Cyber Security for S. Water Plant	100,000	100,000
Sewer		
MS2203 Northfork Sewer Line Extension	796,476	796,476
FY25 Sand Filters	230,000	230,000
FY26 Sand Filters	60,000	60,000
FY26 Lagoon Aeration System	230,000	230,000
FY26 I/I Investigation and repair of existing Sewer Lines	500,000	500,000

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 \$1.20 per \$100 of assessed value on all real and personal property. The taxes levied in this Ordinance when collected shall be apportioned as follows:

For the General Purposes of the City of Millington, \$0.4847 on each \$100.00 of assessed valuation.

For the Debt Service of the City of Millington, including interest and principal payments, \$0.7153 on each \$100.00 of assessed valuation.

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.

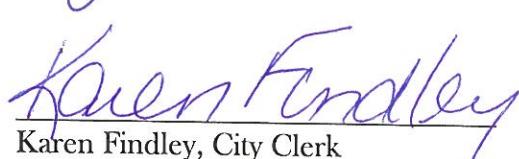
SECTION 11: All ordinances or parts of ordinances in conflict with any provision of this ordinance are hereby repealed.

SECTION 12: This ordinance shall take effect July 1, 2025, the public welfare requiring it.

First Reading: May 12, 2025
Public Hearing: June 9, 2025
Final Reading: June 9, 2025



Larry Dagen, Mayor



Karen Findley
Karen Findley, City Clerk