



TOWN OF ASHLAND CITY Special Called Budget Workshop May 04, 2026, 6:30 PM Minutes

CALL TO ORDER

Mayor Greer called the meeting to order at 6:33 pm.

ROLL CALL

Mayor Greer

Councilman Tim Adkins

Councilwoman Binkley

Vice Mayor Chris Kerrigan

Councilman Michael Smith

Councilman Kevin Thompson - **ABSENT**

Councilman Tony Young - **ABSENT**

APPROVAL OF AGENDA

A motion was made by Councilwoman Binkley, Seconded by Vice Mayor Kerrigan, to approve the agenda. All approved by voice vote.

APPROVAL OF MINUTES

1. Approve June 17, 2025, Special Called Budget Workshop Meeting Minutes

A motion was made By Councilman Adkins, Seconded by Councilwoman Binkley, to approve the June 17, 2025, minutes. All approved by voice vote.

PUBLIC FORUM

None

UNFINISHED BUSINESS

2. None

NEW BUSINESS

3. Fiscal year 26/27 Budget Discussion

Mayor Greer started the meeting with a statement. This meeting is for the Fiscal year 2026/2027 Budget Discussion. One of the most important duties I have as mayor is to present the City Council with the upcoming Fiscal year budget. As Council members, each of you representing the citizens of Ashland City is to pass our Town's budget. The budget process started many weeks ago and continued up to this evening. I would like to thank all the Department heads as well as Will Duffel, our Finance Director, and Allen Nicholson, our Chief of Staff, for the hard work. It has not been an easy task, however, what I present to you tonight and tomorrow night is a result of their efforts. The National and World economies have reached Ashland City's doorstep just as it has for most municipalities. Tax Revenue is down from previous years. The cost of services provided by our Ashland City Government is up. Thankfully we are in a much better financial place than many other municipalities and our General Fund balance remain in good shape. The city finance director Will Duffel will share with you tonight the realities of our current Fiscal challenges. My proposed budget includes a 2% cost of living raise for our hard-working and dedicated city employees. I believe this is a must do when considering this budget. Will Duffel will go through the details of our proposed budget.

Mr. Duffel directed Council to review the General Fund Budget Summary in the prepared binders. The proposed Fiscal Year 2027 budget includes a 2% COLA for employees, with projected revenues of approximately \$8.69 million and expenditures of \$9.4 million, resulting in

a deficit of \$740,969. The beginning fund balance is estimated at \$11.2 million, with an anticipated ending balance of approximately \$9.8 million, which exceeds the State's required minimum.

Proposed capital and grant projects total approximately \$3.15 million and include police grant funding of \$129,000, radio system upgrades for Police and Fire Departments (approximately \$350,000 each with deferred payment options), and Fire Department grants totaling \$188,000. Additional projects include streetlight sensor upgrades (\$45,000), Thrive 55+ Center improvements, Parks trail bridge engineering (\$20,000), and Phase 1 of the Bicentennial Trail project (\$2.4 million, with 80% reimbursement through TDOT).

Mr. Duffel also reviewed revenue projections, including \$6.78 million in local taxes, \$3.58 million in intergovernmental revenues, and total General Fund revenues of approximately \$11 million.

Section 2: Mr. Duffel provided an overview of the Court Department, noting anticipated expenditure of approximately \$300,000. Mayor Greer explained that department heads met with Mr. Nicholson and Mr. Duffel to develop their budgets and were asked to make significant reductions, including an additional 15% cut where possible. While all departments made reductions, some had limited ability to cut further.

Councilman Adkins requested a comparison of Fiscal Year 2026 and 2027 budgets by department, and Mr. Duffel stated he would provide it. Mr. Duffel then reviewed the Finance Department budget, projected at \$1.3 million expenditure, noting no increase in staffing across departments. He clarified a salary line item upon inquiry and confirmed that charitable contributions are limited to the Chamber and Library, as other requests did not meet new policy requirements. He also provided an overview of the Technology (IT) Department, with a projected budget of \$338,000.

Vice Mayor Kerrigan asked if this includes changing from Tyler Technologies to Local Government? Mr. Duffel replied No Sir and advised the budget will not support the change this Fiscal Year. Councilman Adkins asked if things have improved with Tyler Technologies? Mr. Duffel advised depends on the day but with the numbers being what they are we are going to have to make do.

Section 3: Moving into Codes and Building Inspection. We anticipate \$ 421,140.00 in expenditure. No Questions.

Moving to General Governmental Buildings. We anticipate \$ 135,300.00 expenditure.

Councilman Adkins asked if we are pleased with our Janitorial services? Mayor Greer replied we are pleased with the service and they are very good at responding quickly to resolve any issues that may arise.

Section 4: Police Department expenditure is anticipated to be \$ 2.5 million dollars. This number does not include capital requests.

Vice Mayor Kerrigan asked how they are doing on vehicles?

Chief Ray responded he tries to stay on a rotation of 2 cars per year and the last time they had to skip they had to get 4 cars the following budget. He advised they would make do with what they get in the budget.

Section 5: Fire Department anticipated expenditure of \$2.9 million dollars and like the Police that does not include any capital expenditures.

Vice Mayor Kerrigan asked if we have investigated any grants that would help offset that cost? He would like to ensure the services we provide for the citizens are good and we are not getting needed items for the safety of the community.

Chief Walker advised they will be able to make do this year with the items they have. Tracy is very good at finding new grants and applying for them as needed.

Section 6: Streets Department expenditure is anticipated to be \$876,646.00.

Vice Mayor Kerrigan asked about the sidewalks grant? Mr. Nicholson advised that because the Phase 1 trail grant has been going on for 5 years and we found out we were denied Phase 2, they have held the other grant because there has not been movement in the money. It is still available on our portal.

Section 7: Thrive 55+ Senior Center anticipated expenditure is anticipated to be \$ 450,450.00.

Mayor Greer asked if we are confident that the \$20,000.00 in capital outlay will fix the issues? Mr. Nicholson advised that with our City Engineer Jason Reynolds we should be able to bid it out and get it done for that price.

Section 8: Parks and Recreation Department anticipated expenditures are anticipated to be \$ 3.3 million dollars.

Councilman Adkins asked how much money we have in the Hotel/Motel account?

Mr. Duffel advised we have approximately \$440,000.00 because we have not used any of the money.

Mayor Greer advised that is the reason we are asking to spend some of the money on improvements to the parks.

Councilman Adkins asked if we are allowed to use some of the funds for marketing as well.

Attorney Noe advised she thought marketing is something that can be covered with these funds.

She also stated that she thinks the cabinets could be purchased out of those funds as well.

Councilman Adkins asked about some additional lighting under the stage area at Riverbluff Park.

Anthony Clark replied that was already installed along with a fan a few weeks ago.

Section 9: Review of Street Aid Fund and Drug Fund.

Street Aid has anticipated revenues of \$ 172,455.00. We would like to propose \$300,000.00 in paving. This would include the \$75,000.00 we were not able to get paved this year because we were over the \$200,000.00 amount in the budget for 2026. This fund would have a deficit of \$127,545.00 for the 2027 budget.

Drug Fund anticipated revenues are \$ 1075.00. Expenditure is anticipated to be zero and leaves the same amount in the fund of \$ 1075.00.

Councilman Adkins asked if there are any updates on Hickory Hills water study?

Mr. Nicholson advised we are going to have to get a bid placed out for it and it is added in the budget.

Councilman Adkins asked if residents would see a savings?

Mr. Nicholson advised without the study he would not be able to tell but the tap fees will not go down this year.

Section 10: Water and Sewer Fund we are anticipating \$1.2 million in intergovernmental grants. Service charges and fees for meter and water sales and then the service charges we anticipate at \$ 4.9 million.

Total water and sewer revenue is anticipated to be \$ 6.3 million.

Water Expenses we are estimating \$4.3 million is water expenses. That number does include \$2.1 million in capital which comprised with the SCADA System upgrade. There is also \$1000,000.00 in cameras.

Sewer Expenses: We are anticipating them to be \$4 million dollars.

Mayor Greer advised we would like to bring the General Sessions Court back. Attorney Noe is looking into it and is not sure if it is possible.

Ms. Violet Black was asked to go over the insurance information- She advised Medical Insurance came back with good news. There will be no changes for the employees and the cost for the city has decreased by .18% amount. This is to stay with Blue Cross/ Blue Shield. The dental and vision have a small increase for the employee.

Mr. Nicholson asked about the increase for the HRA accounts?

Ms. Black advised that by federal government has increased by \$50.00 so the member will pay the first \$1,700.00 for individual and Family coverage is \$3,400.00.

Attorney Noe advised we are still looking at the Liability Insurance numbers for last year because we are waiting for the new figures from PEP.

Insurance is line 142 for each department.

Will Duffel advised there is no property tax increase in 2027.

