



TOWN OF ASHLAND CITY

Special Called Budget Workshop Meeting

May 05, 2026, 6:00 PM

Minutes

CALL TO ORDER

Mayor Greer called the meeting to order at 6:17 pm.

ROLL CALL

Mayor Greer
Councilman Tim Adkins
Councilwoman Binkley
Vice Mayor Chris Kerrigan
Councilman Michael Smith
Councilman Kevin Thompson
Councilman Tony Young

APPROVAL OF AGENDA

A motion was made by Councilman Thompson, Seconded by Vice Mayor Kerrigan, to approve the agenda. All approved by voice vote. **Motion Passes**

APPROVAL OF MINUTES

1. Approval of May 4, 2026, Special called Workshop Minutes

A motion was made by Councilman Thompson, Seconded by Vice Mayor Kerrigan, to defer the minutes to the next budget workshop meeting as they had not had time to review them. All approved by voice vote. **Motion Passes**

PUBLIC FORUM

None

UNFINISHED BUSINESS

2. None

NEW BUSINESS

3. FISCAL YEAR 26 / 27 Budget Discussion

Mayor Greer announced the purpose of the meeting was to discuss the Fiscal Year 2026/2027 Budget. Before discussion began, Mayor Greer proposed amending his submitted budget to increase the employee Cost-of-Living Adjustment (COLA) from Two Percent (2%) to Three Percent (3%) and requested Finance Director Will Duffel distribute updated budget documents reflecting the change.

Councilman Adkins asked what the financial difference would be between the Two Percent (2%) and Three Percent (3%) COLA increase. Mr. Duffel advised the Two Percent (2%) increase totaled approximately One Hundred Forty Thousand Dollars (\$140,000), while the proposed Three Percent (3%) increase would total approximately One Hundred Ninety-Nine Thousand and Twenty-one Dollars (\$199,021). Attorney Jennifer Noe asked if the increase would bring the projected General Fund deficit closer to Eight Hundred Thousand Dollars (\$800,000), and Mr. Duffel confirmed that it would. Councilman Adkins stated he supported the mayor's proposal if possible, and Councilman Smith also stated he was supportive of the 3% increase.

Mr. Duffel provided updated budget comparison documents from the previous fiscal year as requested during the prior workshop meeting. Councilman Adkins asked for clarification regarding Police and Fire Department capital outlay projects and whether they were included in the

operational budget totals. Mr. Duffel explained those projects were not included in the operational budget and would instead reduce the Fund Balance and increase the deficit when funded.

Mayor Greer asked about the timeline for the proposed radio system replacement project and the estimated cost of approximately Three Hundred Thousand Dollars (\$300,000.00) for the Police Department portion and Three Hundred Thousand Dollars (\$300,000.00) for the Fire Department Portion. Mr. Duffel explained that if the city elected to defer payments through Motorola, payments would not begin until Fiscal Year 2027/2028. Chief Ray advised the transition would likely occur in January 2027. Mr. Duffel explained the City's decision involved whether to purchase radios independently or coordinate purchases with Cheatham County to receive additional discounts through joint purchase with Cheatham County.

Mr. Duffel reviewed three financing options available through Motorola:

- Option 1: Ashland City purchases independently, receives a lower discount, and either defers payments for one year or receives zero-percent interest for the first year of a five-year term.
- Option 2: Ashland City enters its own purchase order independently with a one-year payment deferment.
- Option 3: Ashland City coordinates purchases with the County while entering separate purchase orders, receives additional discounts, and qualifies for a two-year deferment or zero-percent interest for two years.

Chief Walker advised he had spoken with EMS Chief and County Commissioner BJ Hudspeth, who stated the County intended to pursue the one-year deferment option. Chief Walker explained the city would receive an additional 2% discount on top of an existing 5% discount if orders were submitted jointly with the County. The estimated total for radios for Police, Fire, and Water/Sewer Departments was approximately Seven Hundred Thousand Dollars (\$700,000.00). Mayor Greer stated the upgraded radios were critical for employee safety, particularly because Motorola radios would eliminate dead spots when employees travel outside city limits into rural areas. He also explained the radios included emergency alert features that could identify officers even if they were unable to verbally communicate.

Mr. Duffel advised Motorola equipment carried a higher upfront cost than the Kenwood option; however, the Kenwood system would require entirely new infrastructure, including towers and supporting equipment. Mr. Nicholson added that the 911 Center had received infrastructure estimates nearing an additional cost for the infrastructure being Eight Hundred Thousand Dollars (\$800,000.00) in addition to the cost of the radios. Mr. Duffel stated that while Motorola radios were more expensive initially, they would likely be the least expensive long-term option over the next twenty years.

Councilman Thompson asked Chief Walker about several Fire Department capital requests, including AED machines, fire hose, nozzles, and dry suits. Chief Walker explained that the current AED units were approximately ten years old and nearing the end of their useful life. He advised sections of fire hoses are lost each year during mandatory NFPA pressure testing and stated the department was pursuing grants to help offset replacement costs. Councilman Adkins confirmed AED cabinets had been removed from the budget based on prior legal guidance from Attorney Noe. Councilman Thompson stated he understood the budget constraints but would still like to see Chief Walker's equipment requests included if possible.

Vice Mayor Kerrigan expressed concern regarding continued reliance on Fund Balance and deficit spending. He stated that during his time on Council, the city had spent approximately Five Million Dollars (\$5 million Dollars) from capital reserves. While acknowledging major projects had been completed, he stated the City could not continue spending without developing a plan to replace those funds. He suggested transferring tourism-related expenses such as Summerfest, Music on Main, and Parks Advisory Board activities from the General Fund to Hotel/Motel Tax revenues to help reduce the deficit. He also stated the city may eventually need to evaluate staffing levels, organizational structure, and board or committee compensation if additional savings were required.

Vice Mayor Kerrigan further stated he opposed increasing property taxes significantly to offset budget shortfalls.

Councilman Adkins asked whether the employee study previously discussed by Council had been completed to determine whether positions could be consolidated. Mr. Nicholson advised the study had not yet been completed due to recent operational changes and staffing transitions but stated MTAS had been contacted and could assist with such a review in the future. Councilman Adkins clarified he was not advocating eliminating positions but wanted to evaluate whether staffing could be reorganized more efficiently.

Discussion then shifted to Hotel/Motel Tax revenues and tourism-related spending. Councilman Thompson asked about the balance of Hotel/Motel Tax revenues since they had never been used previously. Mr. Duffel estimated the balance at approximately Four Hundred Fifty Thousand Dollars (\$450,000.00). Mayor Greer noted certain projects would not legally qualify under tourism statutes. Mr. Duffel explained the tourism statutes are broad and vague, requiring expenditures to promote tourism and attract visitors from outside the area, but providing limited guidance regarding qualifying projects. He advised City staff had consulted with other municipalities, MTAS, the State Comptroller, and tourism officials, but no definitive guidance had been provided. Attorney Noe advised expenditures such as Summerfest and Music on Main would likely qualify, while items such as AED cabinets would not. She also suggested events such as pickleball tournaments could help justify improvements to tennis courts through tourism funding.

Councilman Adkins asked Parks Director Anthony Clark whether there were Parks Department projects that could be postponed or removed from the budget. Mr. Nicholson responded that Parks budgets had already been heavily reduced during prior budget discussions and noted Mr. Clark had received minimal funding in prior years. Mayor Greer added that many of the proposed projects were intended to enhance parks and attract visitors to the community. Mr. Clark advised he regularly receives complaints from citizens and social media comments claiming the Parks Department does not provide enough for local children. He stated budget limitations had prevented many improvements in recent years and emphasized his desire to improve recreational opportunities for youth in the community.

Mr. Duffel clarified that although Hotel/Motel Tax revenues are tracked separately, the funds are currently pooled within the General Fund through the Local Government Investment Pool (LGIP). Vice Mayor Kerrigan questioned whether the funds should instead be maintained in a separate account to avoid confusion regarding their use. Mr. Duffel stated he would further investigate whether separate accounting was required.

Chief Walker strongly encouraged Council to prioritize the Three Percent (3%) COLA increase over certain capital purchases if necessary. He stated this would be the second consecutive year employees had not received merit raises and warned that surrounding communities were aggressively recruiting Ashland City employees with significantly higher salaries. Chief Walker stated retaining trained and experienced employees was critical and emphasized that employees are the City's greatest asset. Mr. Nicholson suggested the city eventually transition away from the current pay table toward a step-based pay system that would allow employees to better understand salary progression and maximum earning potential.

Councilman Thompson asked whether Council and Board members could voluntarily forgo compensation to help reduce expenditures. Attorney Noe advised she would need to further research into whether elected officials could legally eliminate or reduce their compensation during their current terms. Mr. Duffel later clarified that one questioned salary line item in the Finance Department budget was a typographical error and should not have appeared twice.

Mayor Greer asked if there were any additional suggested cuts or changes to the proposed budget. Councilwoman Binkley recommended moving the budget forward to first reading as scheduled and Attorney Noe noted amendments could still be made during the formal budget adoption process. Councilman Adkins requested updated copies reflecting all discussed changes. Mayor Greer asked

whether Council was agreeable to moving forward with the budget including the proposed Three Percent (3%) COLA increase, and no opposition was voiced.

Attorney Noe concluded by advising that prior budgets had contained inflated revenue projections and unconfirmed grant funding, resulting in inaccurate financial information being presented to the board. She stated this contributed to the City's current financial challenges when projected revenues failed to materialize. Mr. Nicholson added that City staff had been working with County officials and the State to review declining sales tax revenues and verify whether distributions were being properly calculated. Mayor Greer noted the city had experienced a substantial decline in sales tax revenues during the previous fiscal year as well.

ADJOURNMENT

A motion was made by Councilwoman Binkley, seconded by Counselman Young, to adjourn the meeting. All approved by voice vote and the meeting adjourned at 7:27 PM

MAYOR GERALD GREER

CITY RECORDER MARY MOLEPSKE

DRAFT